

EnCana Oil & Gas (USA) Inc.

tel: 720-876-5339

370 – 17<sup>th</sup> Street Suite 1700

fax: 720-876-6339

Denver, CO 80202

www.encana.com

May 2, 2007

Diana Mason Utah Division of Oil, Gas and Mining 1594 West North Temple, Suite 1210 Box 145801 Salt Lake City, UT 84114-5801

RE:

Big Indian Fed 14-42-30-25 Section 14, T30S R25E San Juan County, UT

Dear Ms. Mason:

EnCana Oil & Gas (USA) Inc. is requesting approval to directionally drill the subject well per the Utah Department of Natural Resources, Division of Oil, Gas and Mining Applicable Rules R649-3-11. Please find the following information as required for our proposed Big Indian Fed 15-24-30-25 application:

- EnCana Oil & Gas (USA) Inc., JVA Operating Co. Inc. & Tandem Energy Corp. own all oil & gas within 460' of the intended well bore.
- Surface and Bottom Hole located on BLM Lease No. UTU-89097 and within the Bull Horn Unit and the Big Indian (South) Field.
- SESW, Section 14, T30S R25E, San Juan County, Utah.
- Location plat with surface and bottom hole locations attached.
- Request for an Exception Location, JVA and Tandem letter's of consent, Lease and federal unit map attached.
- Proposed Directional Report attached.

EnCana is drilling this well as a directional well do to topographical and geologic conditions above the bottom hole target The BLM is in agreement with both EnCana's surface and bottom hole locations as proposed for the subject well.

If you have any questions or need additional information, I can be reached at (720) 876-5339.

Sincerely,

Jevin Croteau Regulatory Analyst

Attachment



EnCana Oil & Gas (USA) Inc.

tel: 720-876-5339

370 - 17<sup>th</sup> Street **Suite 1700** 

Denver, CO 80202

fax: 720-876-6339

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May 2, 2007

Mr. John Baza Utah Division of Oil, Gas & Mining 1594 North Temple, Suite 1210 P.O. Box 145801 Salt Lake City, UT 84114-5801

Re:

**Exception Location** 

Big Indian Fed 14-42-30\25 1109' FSL and 1721' FEL (Bottom Hole)

SESW Sec 14, T30S, R25E San Juan County, Utah

Dear Mr. Baza;

Pursuant to Rule R649-3-3 of the Oil & Gas Rules and Regulations of the State of Utah, EnCana Oil & Gas (USA) Inc. hereby requests an exception location for the drilling of the captioned well. Rule R649-3-2 requires a well to be located in the center of a forty (40) acre quarter-quarter section, or a substantially equivalent lot or tract, with a tolerance of two hundred (200) feet in any direction from the center.

The above referenced bottom hole location is an exception location under Rule R649-3-2, being outside the center of the SESW of Section 14, T30S, R25E. The attached plat depicts the location for which EnCana wishes permission to drill as well as the deviation from the location which would be in accordance with Rule R649-3-2.

The requested location has been chosen due to topographic and geologic reasons. The Four Hundred Sixty foot (460') radius of the proposed location is on Federal Lease UTU-89097 and is within the established Bull Horn Unit, UTU-81301X. Lease UTU-89097 is owned by EnCana Oil & Gas (USA) Inc., JVA Operating Company, Inc. and Tandem Energy Corporation. The proposed location has been approved by JVA and Tandem as indicated by the enclosed letters of consent.

If you have any questions or need additional information, please contact me at (720) 876-5339.

Sincerely.

Jevin Croteau Regulatory Analyst

Attachment



370 17th Street Suite 1700 Denver, CO 80202

tel: (303) 623-2300 fax: (303) 623-2400 www.encana.com

CERTIFIED MAIL - 70031680000232649544

April 9, 2007

Tandem Energy Corporation 200 North Loraine, Suite 500 Midland, TX 79701 Attn: Todd M. Yocham

Re:

Exception Location Request to Rule 649-3-2

Big Indian Fed 14-42-30-25 BHL - 1109' FSL, 1721' FWL

Section 14-T30S-R25E San Juan County, Utah

Mr. Yocham:

EnCana Oil & Gas (USA) Inc. has proposed the drilling of the above captioned well. Due to the nature of the well, the location of the well will require an exception to the Utah Oil & Gas Conservation Commission Rule 649-3-2.

The well does fall within the unit boundaries of the Big Indian Unit, and as such, production will be allocated under the terms of that agreement. The location of the well is based upon our geologic understanding of the area, and the well has been positioned in a location that will be most likely to be successful.

In accordance with Rule 649-3-3, please indicate your consent to the location exception of the Big Indian Fed 14-42-30-25 well by signing in the space provided below and returning one signed original to the undersigned. For your convenience, and also to expedite this process, please also send a copy via fax to (720) 876-6361. Please call me at (720) 876-5361 if you have any questions or concerns.

Very truly yours,

ENCANA OIL & GAS (USA) INC.

Oscar Duarte Land Negotiator

Exception Location for the Big Indian Fed 14-42-30-25 well is hereby approved this day of

\*prze\_\_\_, 2007.

By: So. Vice President

Phone: 432-686-7136 ext. 1121



370 17th Street Suite 1700 Denver, CO 80202

(303) 623-2300 (303) 623-2400

www.encana.com

CERTIFIED MAIL - 7003168000232649551

April 9, 2007

JVA Operating Company, Inc. P.O. Box 3634

Midland, TX 79702 Attn: Jerry V. Atkinson

Re:

Exception Location Request to Rule 649-3-2

Big Indian Fed 14-42-30-25 BHL - 1109' FSL, 1721' FWL

Section 14-T30S-R25E San Juan County, Utah

Mr. Atkinson:

EnCana Oil & Gas (USA) Inc. has proposed the drilling of the above captioned well. Due to the nature of the well, the location of the well will require an exception to the Utah Oil & Gas Conservation Commission Rule 649-3-2.

The well does fall within the unit boundaries of the Big Indian Unit, and as such, production will be allocated under the terms of that agreement. The location of the well is based upon our geologic understanding of the area, and the well has been positioned in a location that will be most likely to be successful.

In accordance with Rule 649-3-3, please indicate your consent to the location exception of the Big Indian Fed 14-42-30-25 well by signing in the space provided below and returning one signed original to the undersigned. For your convenience, and also to expedite this process, please also send a copy via fax to (720) 876-6361. Please call me at (720) 876-5361 if you have any questions or concerns.

Very truly yours,

ENCANA OIL & GAS (USA) INC.

Oscar Duarte Land Negotiator

Exception Location for the Big Indian Fed 14-42-30-25 well is hereby approved this

Phone: (TX) 432-682-1052 (NM) 505-336-1136

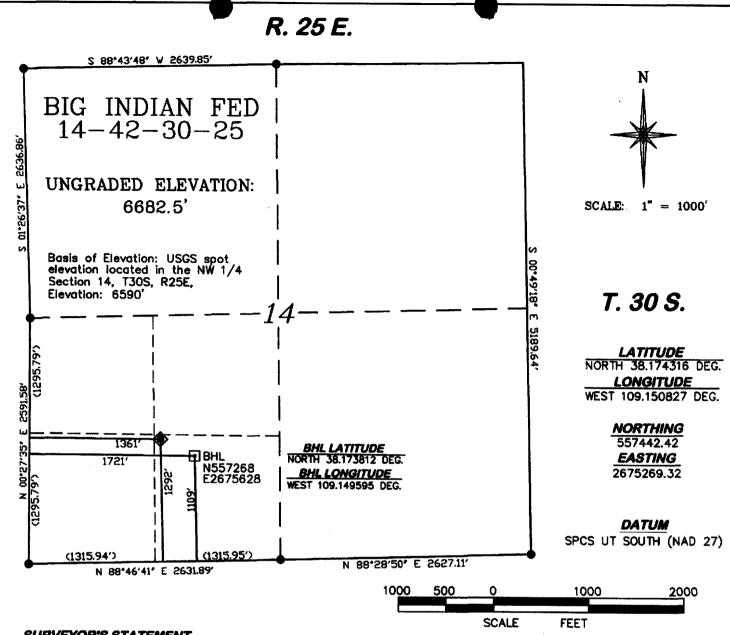
STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

AMENDED REPORT (highlight changes)

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	APPLICATION FOR PERMIT TO DRILL							6. SURFACE: Federal
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B. TYPE OF WEI	.t: OIL 🗌	GAS 🗾	OTHER	SING	GLE ZONE MULTIPLE ZONI	⊑ 1. <b>/</b> λ 1	or CA AGREEMENT N	IAME:
2. NAME OF OPE	RATOR:						NAME and NUMBER	:
	& Gas (US	A) Inc.			•	Big I	ndian Fed 14	-42-30-25
3. ADDRESS OF 6	St, Suite 170	<del></del>	er stat	_ CO <sub>ZIP</sub> 802	PHONE NUMBER: (720) 876-5339	I	DAND POOL, OR WI	. 1
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	ately 10 Mile			16 NUMBER OF	ACRES IN LEASE:		Juan FACRES ASSIGNED	TO THE WELL
1109'				10. NOMBER OF	2200.00	17. NOIVIBER OF	ACNES ASSIGNED	40
18. DISTANCE TO	NEAREST WELL	(DRILLING, COMP	LETED, OR	19. PROPOSED		20. BOND DESC	CRIPTION:	-10
464'	R) ON THIS LEASE	(FEET)			3,217	RLB000	1191	
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7 7/8	5 1/2	J-55	17#	3,438	Class G + 2% gel	600sx	1.43 cuft/sx	13#
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**Federal Approval of this Action is Necessary** 

DIV. OF OIL, GAS & MINING



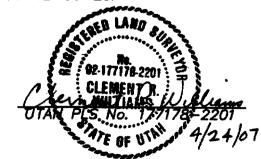
SURVEYOR'S STATEMENT

I, Clement R. Williams, of Rock Springs, Wyoming, hereby state: This map was made from notes taken during an actual survey under my direct supervision on APRIL 20, 2007, and it correctly shows the location of BIG INDIAN FED 14-42-30-25.

### NOTES

- WELL LOCATION
- FOUND MONUMENT (BC)
- APPROXIMATE BHL

EXHIBIT 1





1414 ELK ST., SUITE 202 ROCK SPRINGS, WY 82901 (307) 382-5028 SCALE: 1" = 1000' JOB No. 15045 REVISED: 4/24/07 PLAT OF DRILLING LOCATION FOR ENCANA OIL & GAS (USA) INC.

1292' F/SL & 1361' F/WL, SECTION 14, T. 30 S., R. 25 E., SALT LAKE B.M. SAN JUAN COUNTY, UTAH ONSHORE ORDER No. 1 EnCana Oil & Gas (USA), Inc. Rig Indian Federal 14-42-30-25

Big Indian Federal 14-42-30-25 1292' FSL & 1361' FWL (surface) Section 14-T30S-R25E

1109' FSL & 1721' FWL (bottom hole) Section 14-T30S-R25E San Juan County, Utah Lease No. UTU-89097

**Drilling Program** 

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### **ONSHORE OIL & GAS ORDER NO. 1**

### **Approval of Operations on Onshore**

### Federal and Indian Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

### 1. FORMATION TOPS

The estimated tops of important geologic markers are as follows:

Formation	Depth (TVD)	Subsea
Burro Canyon	Surface	+6829'
Morrison	733'	+5954'
Entrada	1020'	+5667'
Navajo	1226'	+5461'
Kayenta	1861'	+4826'
Wingate	2098'	+4589'
Chinle/Cutler	Faulted Out	Faulted Out
Honaker Trail	2972'	+3715'
HKTR MKR 5	3147'	+3520'
Total Depth	3217'	+3470'

### 2. ANTICIPATED DEPTH OF WATER, OIL & GAS

The estimated depths at which the top and bottom of the anticipated water, oil, gas or other mineral bearing formations as expected to be encountered are as follows:

Substance	Formation	Depth (TVD)
Gas	Cutler	2357'
Gas	Honaker Trail	2972'

All fresh water and prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected. All indications of usable water (10,000 ppm or less TDS) shall be reported to the Durango Field Office prior to running the next string of casing or before plugging orders are requested, whichever occurs first.

Big Indian Federal 14-42-30-25

1292' FSL & 1361' FWL (surface) Section 14-T30S-R25E 1109' FSL & 1721' FWL (bottom hole) Section 14-T30S-R25E San Juan County, Utah Lease No. UTU-89097

**Drilling Program** 

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If noticeable water flows are detected, samples will be submitted to the BLM along with any water analyses conducted.

### 3. BOP EQUIPMENT/REQUIREMENTS

EnCana Oil & Gas (USA), Inc.'s minimum specification for pressure control equipment are as follows:

Ram Type: 11" Hydraulic double ram with annular, 3000 psi w.p.

Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 70% of internal yield pressure of casing. Pressure shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed-off pressure is acceptable. For a test not utilizing a test plug, if a decline in pressure of more than 10% in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test plug shall be open during test of BOP stack.

Annular type preventers (if used) shall be tested to 50% of rated working pressure. Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.

As a minimum, the above test shall be performed:

- a. when initially installed:
- b. whenever any seal subject to test pressure is broken
- c. following related repairs: and
- d. at 30 day intervals

Valves shall be tested from working pressure side during BOPE tests with all down stream valves open.

When testing the kill line valve(s) shall be held open or the ball removed.

Annular preventers (if used) shall be functionally operated at least weekly.

Pipe and blind rams shall be activated each trip, however, this function need not be performed more than once a day.

A BOPE pit level drill shall be conducted weekly for each drilling crew.

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests. Pressure tests shall apply to all related well control equipment.

BOP systems shall be consistent with API RP53. Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on

### Big Indian Federal 14-42-30-25

1292' FSL & 1361' FWL (surface) Section 14-T30S-R25E 1109' FSL & 1721' FWL (bottom hole) Section 14-T30S-R25E San Juan County, Utah Lease No. UTU-89097

### **Drilling Program**

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the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

The BLM in Moab, Utah shall be notified, at least 24 hours prior to initiating the pressure test, in order to have a BLM representative on location during pressure testing.

- a. The size and rating of the BOP stack is shown on the attached diagram.
- b. A choke line and a kill line are to be properly installed. The kill line is <u>not</u> to be used as a fill-up line.
- c. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.
- d. Drill string safety valve(s), to fit <u>all</u> tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.

### 4. CASING AND CEMENTING PROGRAMS

- a. The BLM in Moab, Utah shall be notified at least 24 hours prior to the running and cementing of all casing strings, in order to have a BLM representative on location while running and cementing all casing strings.
- b. The proposed casing and cementing program shall be conducted as approved to protect and/or isolate all usable water zones, potentially productive zones, lost circulation zones, abnormally pressured zones, and any prospectively valuable deposits of minerals. Any isolating medium other than cement shall receive approval prior to use. The casing setting depth shall be calculated to position the casing seat opposite a competent formation which will contain the maximum pressure to which it well be exposed during normal drilling operations. Determination of casing setting depth shall be based on all relevant factors, including; presence/absence of hydrocarbons; fracture gradients; usable water zones; formation pressures; lost circulation zones; other minerals; or other unusual characteristics. All indications of usable water shall be reported.
- c. Casing design shall assume formation pressure gradients of 0.44 to 0.50 psi per foot for exploratory wells (lacking better data).
- d. Casing design shall assume fracture gradients from 0.70 to 1.00 psi per foot for exploratory wells (lacking better data).
- e. Casing collars shall have a minimum clearance of 0.422 inches of all sides in the hole/casing annulus, with recognition that variances can be granted for justified exceptions.
- f. All waiting on cement times shall be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.
- g. All casing except the conductor casing, shall be new or reconditioned and tested used casing that meets or exceeds API standards for new casing.
- h. The surface casing shall be cemented back to surface either during the primary cement job or by remedial cementing.
- i. All indication of usable water shall be reported to the authorized officer prior to running the

### Big Indian Federal 14-42-30-25

1292' FSL & 1361' FWL (surface) Section 14-T30S-R25E 1109' FSL & 1721' FWL (bottom hole)

Section 14-T30S-R25E San Juan County, Utah Lease No. UTU-89097

### **Drilling Program**

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next string of casing or before plugging orders are requested, whichever occurs first.

- j. Surface casing shall have centralizers on the bottom 3 joints of casing (a minimum of one centralizer per joint starting with the shoe joint).
- k. Top plugs shall be used to reduce contamination of cement by displacement fluid. A bottom plug or other acceptable technique, such as a suitable preflush fluid, inner string cement method, etc. shall be utilized to help isolate the cement from contamination by the mud fluid being displaced ahead of the cement slurry.
- I. All casing strings below the conductor shall be pressure tested to 0.22 psi per foot of casing string length or 1500 psi, whichever is greater, but not to exceed 70% of the minimum internal yield. If pressure declines more than 10% in 30 minutes, corrective actions shall be taken.
- m. On all exploratory wells, and on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
- n. The proposed casing program will be as follows:

Purpose	Depth (MD)	Hole Size	O.D.	Weight	Grade	Type	New/Used
Surface	0'-783'	12 1/4"	9-5/8"	36#	J-55	ST&C	New
Production	0'-3438'	7-7/8"	5-1/2"	17#	J-55	LT&C	New

- o. Casing design subject to revision based on geologic conditions encountered.
- p. The cement program will be as follows:

Surface	Type and Amount
0-783'	Lead: 150 sx Class G 50/50 Poz + 2% gel, 2.09 cuft/sx yield, 12.5 ppg
	Tail: 100 sx Class G, 1.15 cuft/sx yield, 15.8 ppg
Production	Type and Amount
783'-3438'	600 sx Class G 50/50 Poz, 1.43 cuft/sx yield, 13 ppg

- g. The BLM in Moab, Utah should be notified, with sufficient lead time, in order to have a BLM representative on location while running all casing strings and cementing.
- r. After cementing but before commencing any test, the casing string shall stand cemented until the cement has reached a compressive strength of at least 500 psi at the shoe. WOC time shall be recorded in the driller's log.
- s. The following reports shall be filed with the District Manager within 30 days after the work is

Big Indian Federal 14-42-30-25

1292' FSL & 1361' FWL (surface) Section 14-T30S-R25E 1109' FSL & 1721' FWL (bottom hole) Section 14-T30S-R25E San Juan County, Utah Lease No. UTU-89097

### **Drilling Program**

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### completed.

- 1. Progress reports, Form 3160-5, "Sundry Notices and Reports on Wells", must include complete information concerning:
  - i. Setting of each string of casing, showing the size, grade, weight of casing set, hole size, setting depth, amounts and type of cement used, whether cement circulated or the top of the cement behind the casing, depth of cementing tools used, casing test method and results, and the date work was done. Show the spud date on the first reports submitted.
  - ii. Temperature or bond logs must be submitted for each well where the casing cement was not circulated to the surface.
- t. Auxiliary equipment to be used is as follows:
  - 1. Kelly cock
  - 2. No bit float is deemed necessary.
  - 3. A sub with a full opening valve.

### 5. MUD PROGRAM

a. The proposed circulating mediums to be employed in drilling are as follows:

Interval (MD)	Mud Type	Mud Wt.	Visc.	F/L
0-2010'	Water	+/- 8.5	+/- 28	N.C.
2010'-TD	LSND	+/- 8.5-9.0	+/- 55-60	+/- 8

- b. Mud monitoring equipment to be used is as follows: Periodic checks of the mud system will be made each tour. The mud level will be checked visually.
  - 1. There will be sufficient mud on location to ensure well control.
  - 2. A mud test shall be performed every 24 hours after mudding up to determine, as applicable: density, viscosity, gel strength, static filtration loss and Ph.
- c. Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing or completion operations.

### 6. EVALUATION PROGRAM - TESTING, LOGGING AND CORING

The anticipated type and amount of testing, logging and coring are as follows:

a. No drill stem tests are anticipated, however, if DST's are run, the following requirements will be adhered to:

Initial opening of drill stem test tools shall be restricted to daylight hours unless specific approval to start during other hours is obtained from the authorized officer. However, DST's may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e. lighting which is adequate for visibility and vapor-proof for safe operations). Packers can be released, but tripping shall not

Big Indian Federal 14-42-30-25

1292' FSL & 1361' FWL (surface) Section 14-T30S-R25E 1109' FSL & 1721' FWL (bottom hole) Section 14-T30S-R25E San Juan County, Utah Lease No. UTU-89097

**Drilling Program** 

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begin before daylight, unless prior approval is obtained from the authorized officer. Closed chamber DST's may be accomplished day or night.

A DST that flows to the surface with evidence of hydrocarbons shall be reversed out of the testing string under controlled surface conditions. This would involve providing some means for reverse circulation.

Separation equipment required for the anticipated recovery shall be properly installed before a test starts.

All engines within 100 feet of the wellbore that are required to "run" during the test shall have spark arresters or water cooled exhausts.

- b. The logging program will consist of a DIL/CNL/LDT/GR/SP from TD to base of the surface casing.
- c. No whole cores are anticipated. Depending upon evaluation of the open hole logs, several sidewall cores may be obtained in formations of interest.
- d. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later that 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, work over, and/or completions, will be filed with form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the authorized officer (AO).
- e. The anticipated completion program is as follows:

Perforate zones of interest, fracture stimulate as necessary and place on production.

### 7. ABNORMAL PRESSURES AND H2S GAS

- a. The maximum expected bottom hole pressure is 1100 psi (pressure gradient of 0.33 psi/ft). Source of pressure estimate was from data obtained for the Honaker Trail geological formation via pressures obtained in the Big Indian Unit #3 and #4 wells (#4 well is located within 1 mile of the proposed location).
- b. No hydrogen sulfide gas is anticipated, no abnormal pressures or temperatures are anticipated.
- c. As per Onshore Order No. 6, III.A.2.b., if hydrogen sulfide is present the "operator shall initially test the H2S concentration of the gas stream for each well or production facility ..." Submit the results of this test within 30 days of filing Form 3160-4, "Well Completion or Recompletion Report and Log".

### 8. OTHER INFORMATION AND NOTIFICATION REQUIREMENTS

- a. The BLM in Moab (435-259-2100) shall be notified at least 24 hours prior to:
  - 1. Spudding the well
  - 2. Running the casing strings and cementing

ONSHORE ORDER No. 1 EnCana Oil & Gas (USA), Inc. Big Indian Federal 14-42-30-25 1292' FSL & 1361' FWL (surface

Big Indian Federal 14-42-30-25
1292' FSL & 1361' FWL (surface)
Section 14-T30S-R25E
1109' FSL & 1721' FWL (bottom hole)
Section 14-T30S-R25E
San Juan County, Utah

Lease No. UTU-89097

### **Drilling Program**

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- 3. BOP tests/casing pressured tests.
- b. Within 30 days of completion of the well as a dry hole or producer, a copy of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, work over, and/or completions operations will be filed with a Completion Report (Form 3160-4), in triplicate. Submit casing/cementing reports and other subsequent reports via Sundry Notice Form 3160-5.
- c. In accordance with 43 CFR 3162.4-3, this well shall be reported on MMS Form 3160, "Monthly Report of Operations", starting with the month in which drilling operations commence, and continuing each month until the well is physically plugged and abandoned.
- d. The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or the date on which gas is first measured through permanent metering facilities, whichever first occurs.
- e. Pursuant to NTL-4A, lessees or operators are authorized to vent/flare gas during the initial well evaluation tests, not exceeding a period of 30 days or the production of 50 MMCF of gas, whichever occurs first. An application must be filed with the District Engineer and approval received, for any venting/flaring of gas beyond the initial 30 day authorized period.
- f. A schematic facilities diagram as required by 43 CFR 3162.7-5 (b.9.d), shall be submitted to the appropriate District Office within 60 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (b.4).
- g. Off-lease measurement and commingling of production must be approved by the authorized officer.
- h. Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5<sup>th</sup> business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43

Big Indian Federal 14-42-30-25

1292' FSL & 1361' FWL (surface) Section 14-T30S-R25E 1109' FSL & 1721' FWL (bottom hole) Section 14-T30S-R25E San Juan County, Utah Lease No. UTU-89097

### **Drilling Program**

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CFR 3162.4-1(b)(5)(ii).

- i. The BLM in Moab (435-259-2100) shall be notified within 5 business days of production start-up if either of the following two conditions occur:
  - 1. The well is placed on production, or
  - 2. The well resumes production after being off of production for more than 90 days.

"Placed on production" means shipment or sales of hydrocarbons from temporary tanks, production into permanent facilities or measurement through permanent facilities. Notification may be written or verbal with written follow-up within 15 days.

- j. Drilling is planned to commence upon approval. Completion will begin approximately 30 days after drilling is completed.
- k. It is anticipated that the drilling of this well will take approximately 10-15 days.
- I. No location will be constructed or moved, no well will be plugged, and no drilling or work over equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.
- m. <u>Immediate Report:</u> Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.
- n. If a replacement rig is contemplated for completion operations, a "Sundry Notice" Form 3160-5 to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.
- o. Pursuant to Onshore Order No. 7, with the approval of the District Engineer, produced water may be temporarily disposed of into unlined pits for a period of up to 90 days. During the period so authorized, an application for approval of the permanent disposal method, along with the required water analysis and other information, must be submitted to the District Engineer.
  - If underground injection is proposed, an EPA or State UIC permit shall also be required and submitted to this office.
- p. No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5 will be filed with the AO within 30 days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.
- q. As per 43 CFR 3162.6, each drilling producing or abandoned well shall be identified with the operator's name, the lease serial number, the well number, and the surveyed description of the well (either footages or the quarter-quarter section, the section, township and range). The Indian lessor's name may also be required. All markings shall

ONSHORE ORDER No. 1 EnCana Oil & Gas (USA), Inc. Big Indian Federal 14-42-30-25

1292' FSL & 1361' FWL (surface) Section 14-T30S-R25E 1109' FSL & 1721' FWL (bottom hole)

Section 14-T30S-R25E San Juan County, Utah

Lease No. UTU-89097

**Drilling Program** 

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be legible and in a conspicuous place.

r. Bureau of Land Management, Moab Field Office Address and Contacts:

Address:

82 East Dogwood Ave.

Phone: 435-259-2100

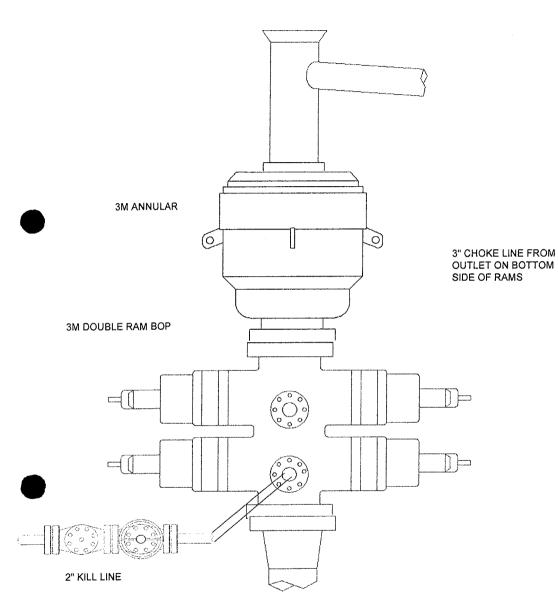
Moab, Utah 84532

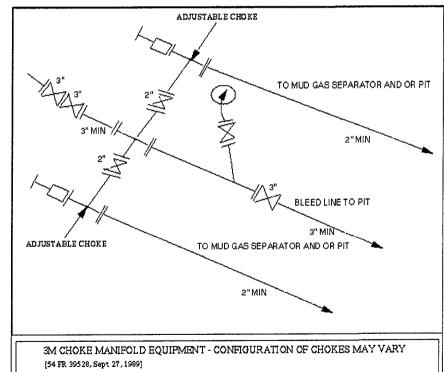
**Business Hours:** 

7:45 a.m. to 4:30 p.m. (Mountain Time), Mon-Fri.

After Hours:

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Eric Jones	Petroleum Engineer	435-259-2117
LIIC OUTICS	i caolean Engineer	400-209-2117
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## **ENCANA OIL & GAS (USA) INC**

Location: UTAH

Slot: Slot #1 Big Indian Fed 14-42-30-25

Field: SAN JUAN COUNTY (True)

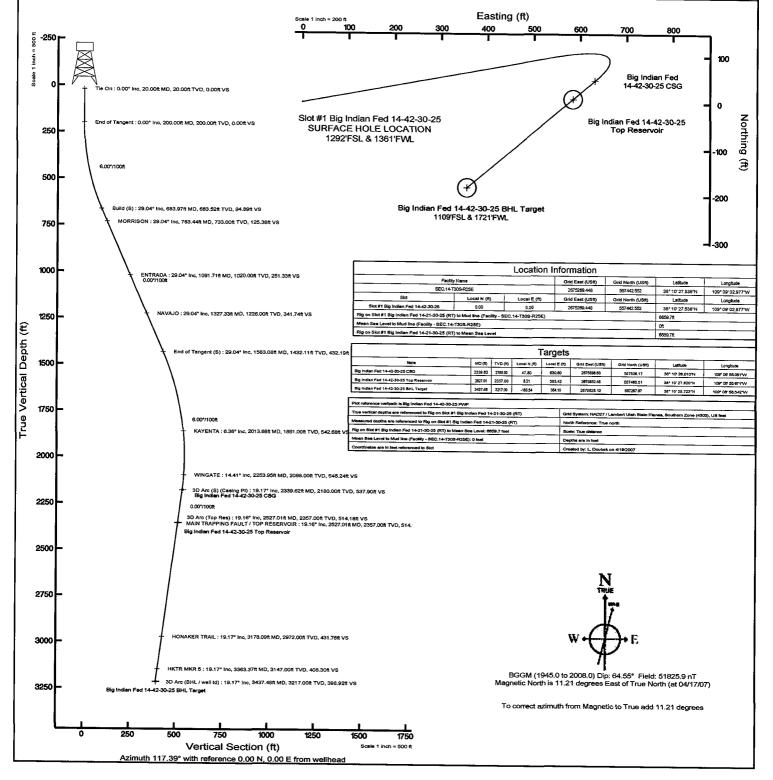
Well: Big Indian Fed 14-42-30-25

Facility: SEC.14-T30S-R25E

Wellbore: Big Indian Fed 14-42-30-25 PWB



	Well Profile Data							
Design Comment	MD (ft)	Inc (°)	Az (°)	TVD (ft)	Local N (ft)	Local E (ft)	DLS (°/100ft)	VS (ft)
Tie On	20.00	0.000	79.622	20.00	0.00	0.00	0.00	0.00
End of Tangent	200.00	0.000	79.622	200.00	0.00	0.00	0.00	0.00
Build (S)	683.97	29.038	79.622	663.52	21.62	118.08	6.00	94.89
End of Tangent (S)	1563.08	29.038	79.622	1432.11	98.49	537,81	0.00	432.19
3D Arc (S) (Casing Pt)	2339.62	19.168	230.072	2180.00	47.80	630.60	6.00	537.90
3D Arc (Top Res)	2527.01	19.162	230.070	2357.00	8.31	583.42	0.00	514.18
3D Arc (BHL / well td)	3437.48	19.171	230.078	3217.00	-183,54	354.19	0.00	398.92





# Planned Wellpath Report Big Indian Fed 14-42-30-25 PWP

Page 1 of 3



REFERENCE WELLPATH IDENTIFICATION Operator ENCANA OIL & GAS (USA) INC Slot Slot #1 Big Indian Fed 14-42-30-25 UTAH Area Well Big Indian Fed 14-42-30-25 SAN JUAN COUNTY (True) Field Wellbore Big Indian Fed 14-42-30-25 PWB Facility SEC.14-T30S-R25E

REPORT SETU	INFORMATION		
Projection System	NAD27 / Lambert Utah State Planes, Southern Zone (4303), US feet	Software System	WellArchitect <sup>TM</sup> 1.2
North Reference	True		L. Doubek
Scale		Report Generated	04/19/07 at 13:43:55
Wellbore last revised	1 04/19/07	Database/Source file	WA_Denver/Big_Indiar

WELLPATH LOCATION							
	Local coordinates		Grid coordinates		Geographic coordinates		
	North [feet]	East [feet]	Easting [US feet]	Northing [US feet]	Latitude [°]	Longitude [°]	
Slot Location	0.00	0.00	2675269.45	557442.55	38 10 27.538N	109 09 02.977W	
Facility Reference Pt			2675269.45	557442.55	38 10 27.538N	109 09 02.977W	
Field Reference Pt			2674299.58	558893.86	38 10 42.121N	109 09 14.663W	

WELLPATH DATUM	1		
Calculation method	Minimum curvature	Rig on Slot #1 Big Indian Fed 14-21-30-25 (RT) to Facility Vertical Datum	6659.70 feet
Horizontal Reference Pt		Rig on Slot #1 Big Indian Fed 14-21-30-25 (RT) to Mean Sea Level	6659.70 feet
Vertical Reference Pt	Rig on Slot #1 Big Indian Fed 14-21-30-25 (RT)	Facility Vertical Datum to Mud Line (Facility)	0.00 feet
MD Reference Pt	Rig on Slot #1 Big Indian Fed 14-21-30-25 (RT)	Section Origin	N 0.00, E 0.00 ft
Field Vertical Reference		Section Azimuth	117.39°



# Planned Wellpath Report Big Indian Fed 14-42-30-25 PWP Page 2 of 3



REFERENCE WELLPATH IDENTIFICATION					
Operator	ENCANA OIL & GAS (USA) INC	Slot	Slot #1 Big Indian Fed 14-42-30-25		
Area	UTAH	Well	Big Indian Fed 14-42-30-25		
Field	SAN JUAN COUNTY (True)	Wellbore	Big Indian Fed 14-42-30-25 PWB		
Facility	SEC.14-T30S-R25E				

MD [feet]	Inclination [°]	Azimuth [°]	TVD [feet]	Vert Sect	North [feet]	East [feet]	DLS [°/100ft]
0.00†	0.000	79.622	0.00	0.00	0.00	0.00	0.00
20.00	0.000	79.622	20.00	0.00	0.00	0.00	0.00
120.00†	0.000	0.000	120.00	0.00	0.00	0.00	0.00
200.00	0.000	79.622	200.00	0.00	0.00	0.00	0.00
220.00†	1.200	79.622	220.00	0.17	0.04	0.21	6.00
320.00†	7.200	79.622	319.68	5.95	1.36	7.41	6.00
420.00†	13.200	79.622	418.06	19.94	4.55	24.82	6.00
520.00†	19.200	79.622	514.04	41.99	9.57	52.25	6.00
620.00†	25.200	79.622	606.59	71.84	16.37	89.40	6.00
683.97	29.038	79.622	663.52	94.89	21.62	118.08	6.00
720.00†	29.038	79.622	695.02	108.71	24.77	135.28	0.00
820.00†	29.038	79.622	782.45	147.08	33.52	183.02	0.00
920.00†	29.038	79.622	869.88	185.45	42.26	230.77	0.00
1020.00†	29.038	79.622	957.31	223.82	51.01	278.51	0.00
1120.00†	29.038	79.622	1044.73	262.19	59.75	326.26	0.00
1220.00†	29.038	79.622	1132.16	300.56	68.49	374.00	0.00
1320.00†	29.038	79.622	1219.59	338.92	77.24	421.75	0.00
1420.00†	29.038	79.622	1307.02	377.29	85.98	469.50	0.00
1520.00†	29.038	79.622	1394.45	415.66	94.73	517.24	0.00
1563.08	29.038	79.622	1432.11	432.19	98.49	537.81	0.00
1620.00†	25.719	81.376	1482.65	453.11	102.84	563.62	6.00
1720.00†	19.961	85.754	1574.78	485.22	107.36	602.13	6.00
1820.00†	14.391	93.413	1670.30	511.13	107.88	631.58	6.00
1920.00†	9.354	109.671	1768.15	530.55	104.40	651.66	6.00
2020.00†	6.292	149.084	1867.28	543.28	96.96	662.13	6.00
2120.00†	7.963	197.235	1966.58	549.17	85.63	662.90	6.00
2220.00†	12.607	219.200	2064.99	548.16	70.55	653.94	6.00
2320.00†	18.061	228.821	2161.41	540.26	51.87	635.36	6.00
2339.62	19.168	230.072	$2180.00^{1}$	537.90	47.80	630.60	6.00
2420.00†	19.166	230.071	2255.92	527.73	30.86	610.36	0.00
2520.00†	19.163	230.070	2350.38	515.07	9.79	585.19	0.00
2527.01	19.162	230.070	2357.00 <sup>2</sup>	514.18	8.31	583.42	0.00
2620.00†	19.163	230.071	2444.84	502.41	-11.28	560.02	0.00
2720.00†	19.164	230.072	2539.30	489.76	-32.35	534.84	0.00
2820.00†	19.165	230.073	2633.76	477.10	-53.42	509.67	0.00
2920.00†	19.166	230.074	2728.21	464.44	-74.49	484.49	0.00
3020.00†	19.167	230.074	2822.67	451.78	-95.56	459.31	0.00
3120.00†	19.168	230.075	2917.13	439.12	-116.63	434.14	0.00
3220.00†	19.169	230.076	3011.58	426.46	-137.71	408.95	0.00
3320.00†	19.170	230.077	3106.04	413.79	-158.78	383.77	0.00



# Planned Wellpath Report Big Indian Fed 14-42-30-25 PWP Page 3 of 3



REFERENCE WELLPATH IDENTIFICATION					
Operator	ENCANA OIL & GAS (USA) INC	Slot	Slot #1 Big Indian Fed 14-42-30-25		
Area	UTAH	Well	Big Indian Fed 14-42-30-25		
Field SAN JUAN COUNTY (True)		Wellbore	Big Indian Fed 14-42-30-25 PWB		
Facility SEC.14-T30S-R25E					

<b>ELLPATH DAT</b>	A (42 stations)	† = interpolated	extrapolated st	ation			
MD [feet]	Inclination [°]	Azimuth [°]	TVD [feet]	Vert Sect [feet]	North [feet]	East [feet]	DLS [°/100ft]
3420.00†	19.171	230.078	3200.49	401.13	-179.85	358.59	0.0
3437.48	19.171	230.078	$3217.00^3$	398.92	-183.54	354.19	0.0

TARGETS									
Name	MD [feet]	TVD [feet]	North [feet]	East [feet]	Grid East [us survey feet]	Grid North [us survey feet]	Latitude [°]	Longitude	Shape
1) Big Indian Fed 14-42-30-25 CSG	2339.62	2180.00	47.80	630.60	2675898.63	557506.17	38 10 28.010N	109 08 55.081W	point
2) Big Indian Fed 14-42-30-25 Top Reservoir	2527.01	2357.00	8.31	583.42	2675852.46	557465.51	38 10 27.620N	109 08 55.671W	circle
3) Big Indian Fed 14-42-30-25 BHL Target	3437.48	3217.00	-183.54	354.19	2675628.12	557267.97	38 10 25.723N	109 08 58.542W	circle

	PROGRAM ore: Big Indi		/ellpath: Big Indian Fed	14-42-30-25 PWP
Start MD [feet]	End MD [feet]	Positional Uncertainty Model	Log Name/Comment	Wellbore
20.00	3437.48 MT	CC (Collar, pre-2000) (Standard)		Big Indian Fed 14-42-30-25 PWB



Lease No. UTU-89097

### **ONSHORE OIL & GAS ORDER NO. 1**

### Thirteen Point Surface Use Plan

The onsite inspection for the subject location was conducted on March 21, 2007. In attendance at the onsite inspection were the following individuals:

<u>Name</u>	<u>Position</u>	<u>Organization</u>
Rich McClure	Natural Resource Specialist	Bureau of Land Management
Ron Krist	Construction Supervisor	EnCana Oil & Gas (USA) Inc.
Jevin Croteau	Regulatory Analyst	EnCana
Ron Rennke	Surveyor	D.R. Griffin & Assoc.
Carol S. DeFrancia	Archaeologist	4-Corners Archaeological Svs.
Mike Shumway	Construction	K-SUE Corporation
Chuck Zimmerman	Construction	K-SUE
Ward Priestley	Construction	Williams Construction
George Sanders	Construction	Ebberts Construction

### 1. EXISTING ROADS

- a. The proposed well site is located on the existing Big Indian #4 well pad located approximately 10 miles Southeast of La Sal, Utah.
- b. Directions from La Sal, Utah are as follows:

From La Sal travel State Highway 46 westerly for 2.3 miles. Turn left on Lisbon (113) Road travel south southeasterly for approximately 5.7 miles to the 370 Road. Stay to the left and travel southeasterly for 6.1 miles to an existing road. Turn left travel northeasterly then southeasterly for 2.4 miles to the existing Big Indian #4 location.

- c. Existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well as per the road use agreement.
- d. Dust control measures will be implemented during dry weather when necessary. These may include mag chloride or other palliative.

### 2. PLANNED ACCESS ROADS

- a. For access roads, refer to Topo Maps A and B.
- b. Some Improvements to the existing access road may be necessary.
- c. No turnouts will be necessary.
- d. All surface materials needed for construction will be procured from a commercial source, except those materials that will be generated during the construction of this well (excess fill, etc.).
- e. The roads shall be maintained reasonably smooth, and free of ruts, soft spots, chuckholes, rocks, slides and washboards. The BLM "Gold" book shall be followed for specifications on road design and culvert installation. All weather surfacing will be



Lease No. UTU-89097

required if the well becomes a producer. A regular maintenance program shall include blading, ditching, sign replacement, surfacing, and culvert maintenance. All vehicles servicing the well are restricted to use of the approved access road and well pad.

- f. No new Culverts or low water crossings will be necessary unless specified by the BLM.
- g. No fence cuts or cattle guards will be necessary unless specified by the BLM.
- h. A road and pipeline right-of-way will not be required from the BLM. Both the access road and pipeline will be on lease and entirely within the Big Indian #3 Unit. See the attached Topo Map B.
- Surface disturbance and vehicle travel will be limited to the approved location and approved pipeline/access road route. Any additional area needed will be approved by the BLM in advance.
- j. No surface disturbing activities shall take place on the subject right-of-way until the associated APD is approved. EnCana will adhere to the conditions of approval in the Surface Use Program of the approved APD, relevant to any right-of-way facilities.
- k. If a right-of-way is secured, boundary adjustments in the lease or unit shall automatically amend this right-of-way to include that portion of the facility no longer contained within the lease or unit. In the event of an automatic amendment to this right-of-way grant, the prior on-lease/unit conditions of approval of this facility will not be affected even though they would now apply to facilities outside of the lease/unit as a result of a boundary adjustment. Rental fees, if appropriate shall be recalculated based on the conditions of this grant and the regulations in effect at the time of an automatic amendment.
- I. If at any time the facilities located on public lands authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change) the BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligations determined by the BLM.
- m. If the well is productive, the access road will be rehabilitated or brought to Resource (Class III) Road Standards within 60 days of dismantling the rig. If upgraded, the access road must be maintained at these standards until the well is properly abandoned. If this time frame cannot be met, the Filed Office Manager will be notified so that temporary drainage control can be installed along the access road.
- n. All brush, limbs, and other woody material will be stockpiled separately from the topsoil along the roadway, or near the well pad. If any topsoil can be salvaged it will be stockpiled near the well pad for future reclamation. If the soil stockpile is not used within six months it will be seeded to ensure topsoil integrity and prevent erosion.
- o. No pullouts or off-road parking will be allowed unless specifically authorized. "Keep vehicles on road surface" signs will be installed to assist with compliance. Shortcutting by vehicles operated by EnCana or its contractors, on roads not identified as access routes in the APD, will not be allowed.
- 3. LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS OF THE PROPOSED

Surface Se Plan

Lease No. UTU-89097

### LOCATION. SEE TOPO MAP A.

- a. Water Wells 0
- b. Injection or Disposal Wells 0
- c. Producing Wells 2
- d. Drilling Wells 0
- e. Shut In Wells 1
- f. Plugged and Abandoned Wells 0

### 4. LOCATION OF PRODUCTION FACILITIES

- a. If the well is productive all production facilities will be located on the well pad. The proposed facilities to be located on the well pad will be a typical tank battery, which include a separator, meter building (with tube and meter), two 400 Hundred bbl tanks and if needed one 500 gal tank and methanol pump or deh'y equipment.
- b. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the BLM Moab Field Office.
- c. The proposed gas gathering line will be buried from the well head to the battery site then tied into the existing pipeline on location.
- d. All permanent structures (onsite for six months or longer) constructed or installed will be painted a flat, non-reflective earth tone color which will match the adjacent vegetation. All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded. The actual color will be Juniper Green as specified by the Bureau of Land Management.
- e. All site security guidelines identified in 43 CFR 3162.7-5 and specified in Onshore Order No. 3 shall be adhered to.
- f. The oil and gas measurement facilities will be installed on the well location. The gas flowline will be buried from the wellhead to the meter and tied into the existing pipeline. Meter runs will be housed. Oil and gas meters will be calibrated prior to first sales and quarterly thereafter. A copy of the meter calibration reports will be submitted to the BLM-Moab Field Office. All gas production and measurement shall comply with the provisions of 43 CFR 3162.7, Onshore Oil and Gas Order No. 5 and the American Gas Association (AGA) Report No. 3.
- g. If a tank battery is constructed on this lease, it will be surrounded by a berm of sufficient capacity to contain 1 ½ times the storage capacity of the largest tank. All loading lines and valves will be placed inside the berm surrounding the tank battery. All oil production and measurement shall conform to the provisions of 43 CFR 3162.7 and Onshore Oil and Gas Order No. 4.
- h. Production facilities on location may include a lined or unlined produced water pit as specified in Onshore Oil and Gas Order No. 7. If water is produced from the well, an application in conformance with Order No. 7 must be submitted.



Lease No. UTU-89097

### 5. LOCATION AND TYPE OF WATER SUPPLY

- a. The source of water for drilling and completion purposes will be obtained from the La Sal Creek located in the SW/4 of Section 8, T28S R25E, San Juan County, Utah.
- b. This water source will be permitted under the State of Utah, Department of Natural Resources, Division of Water Rights. Water Right Number 05-6.
- Water will be hauled to the location over the proposed access roads outlined in the SUP.

### 6. CONSTRUCTION MATERIALS

- All materials needed for construction will be procured from a commercial source, except those materials that will be generated during the construction of this well (excess fill, etc.).
- b. The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.
- c. No gravel or other related minerals from new or existing pits on Federal land will be used in the construction of roads, well pads, etc., without prior approval from the BLM.

### 7. METHODS FOR HANDLING WASTE DISPOSAL

- a. Drill cuttings are to be contained and buried in the reserve pit.
- b. The reserve pit will be sealed in such a manner as to prevent leakage of the fluids. Methods available to insure containment of drilling fluids in the reserve pit include lining the inside of the pit with at least a 30 mil plastic liner. If a plastic liner is used, the bottom of the pit shall be smooth and free of any sharp rocks. If the pit has a rocky bottom, it shall be bedded with a material such as soil, sand, straw or hay to avoid the possibility of puncturing the liner. A minimum of not less than a 2 foot freeboard will be maintained in the pit at all times. All oil or floating debris will be removed from the pit immediately after the drilling and after the stimulation phase of the well.
- c. The reserve pit will be located on the NW corner of the disturbed pad, and the pit walls will be sloped at no greater than 1 1/2 to 1.
- d. The reserve pit shall be located in cut material, with at least 50% of the pit volume being below original ground level. Three sides of the reserve pit will be fenced before drilling starts. The fourth side will be fenced as soon as drilling is completed and shall remain until the pit is dry. As soon as the reserve pit has dried, all areas not needed for production will be rehabilitated.
- e. Garbage is to be contained in the trash cage. The trash cage will be totally enclosed with small mesh wire to prevent wind scattering and wildlife entry. All garbage will be hauled to an approved disposal site at the end of drilling/completion operations.
- f. Sewage will be disposed of in accordance with State and County regulations. No sewage boreholes will be allowed. Chemical porta-toilets will be furnished and their contents hauled to an approved disposal site.
- g. The produced fluids (produced water, frac fluid and possibly condensate), while testing the well will be flowed back to a 400 bbl test tank. Any condensate will be skimmed and



Lease No. UTU-89097

transferred to production tanks. Sand and produced fluids other than condensate will be transferred to the reserve pit until such time as the well is cleaned up sufficiently to produce pipeline quality gas. Any spills of oil, gas, salt water or other produced fluids will be cleaned up and removed.

### 8. ANCILLARY FACILITIES

No camps, airstrips or other facilities will be necessary.

### 9. WELLSITE LAYOUT

- a. The survey plats are attached.
- b. The well pad plan is attached with the location of the reserve pit and access road onto the well pad.
- c. A cross section of the well pad with the cut and fill diagram is attached.
- d. All wells, whether drilling, producing, suspended, or abandoned, will be identified in accordance with 43 CFR 3162.6.
- e. The reserve pit will be designed to prevent the collection of surface runoff.
- f. The reserve pit liner shall remain intact until the reserve pit is reclaimed. Flare pits must be located a sufficient distance from the reserve pit to prevent the liner from being damaged during flaring operations.
- g. Prior to rigging up, a one-foot high berm will be constructed around the perimeter of the well pad to contain all storm events/spills from going downstream of the well pad. A lined sump pit may be utilized to contain the fluids. The need for the berm will be reassessed upon completion of the well and after production is established.
- h. Compaction and construction of the berms surrounding the tank or tank batteries will be designed to prevent lateral movement of fluids through the berm, prior to any storage of fluids. All load lines and valves shall be placed inside the bermed areas.
- i. There shall be a sign or marker on location with the name of the operator, lease serial number, well number, and legal location of the well.

### 10. PLANS FOR RECLAMATION OF THE SURFACE

The following surface reclamation will be done upon completion of the drilling operations.

- a. Where topsoil material is available it will be removed from the location, saved and stockpiled separately on the edge of the pad to be used for reclamation purposes.
- b. Topsoil along the access road will be reserved in place adjacent to the road.
- c. Immediately upon completion of drilling, all equipment that is not necessary for production shall be removed.
- d. When the reserve pit has completely dried the reserve pit, existing pit and that portion of the location not needed for production will be reclaimed.
- e. All road surfacing will be removed prior to the rehabilitation of roads.
- f. Reclaimed roads will have the berms and cuts reduced and will be closed to vehicle



Lease No. UTU-89097

use.

- g. All disturbed areas will be recontoured to replicate the natural slope.
- h. The stockpiled topsoil will be evenly distributed over the disturbed area where available.
- Prior to reseeding, all disturbed areas, including the access roads will be scarified and left with a rough surface.
- j. Seed will be broadcast or drilled between September and October, or at a time specified by the BLM. If broadcast, a harrow or some other implement will be dragged over the seeded area to assure seed coverage.
- k. The following seed mixture or one approved by the BLM will be used. Seed labels from each bag shall be available for inspection while seeding is being accomplished. In the event grasses and native vegetation is not established after the first seeding application, subsequent applications will be performed until grasses and/or native vegetation is established.

Common Name	Pure Live Seed (PLS) lbs /acre
Indian ricegrass	4.0
Crested wheatgrass	4.0
Four-wing saltbush	4.0
Alfalfa	0.5
	12.5 lbs/acre

- I. The abandonment marker will be one of the following, as specified by the BLM:
  - 1) at least four feet above ground level,
  - 2) at restored ground level, or
  - 3) below ground level.

In any case the marker shall be inscribed with the following: operator name, lease number, well name and surveyed description (township, range, section and either quarter-quarter or footages).

- m. Vegetation or soil disturbance by the operator will be held to the minimum consistent with practical construction operations and the operator will smooth all disturbed areas to conform as nearly as practical to the adjacent terrain.
- n. To the degree it is feasible, natural drainage will not be altered.
- o. Reclamation will be considered successful when the desired vegetative species are established, erosion is controlled, weeds are considered a minimal threat, and it is likely that ground cover will return to a desirable condition. EnCana will continue revegetation efforts until this standard is met. BLM shall be responsible for determining when reclamation efforts are successful.
- p. A fence shall be installed around the perimeter of the area undergoing reclamation. The fence shall be maintained in a manner to prevent cattle from entering the area, and shall be constructed as follows: Posts to be no more than 16' apart; fence wire: four wires of



Lease No. UTU-89097

at least 12.5 gauge, double strand twisted; two stays between posts; wire stretched taut between brace panels, wire spacing from the ground up: 14", 22", 30", 42". Fence shall be maintained in place for a minimum of 3 years, and will be removed by EnCana when so instructed by the BLM.

### 11. SURFACE OWNERSHIP

Well site - Bureau of Land Management

**Roads** - All access roads are located or maintained by the State and County Road Departments or are on lands managed by the Bureau of Land Management.

### 12. OTHER INFORMATION

- a. A Class III archeological survey has been conducted by 4 Corners Archaeological Services for the surface location, access road and pipeline right-of-way and will be sent under separate cover.
- b. The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the BLM Field Office. Within five (5) working days, the BLM will inform the operator as to:
  - Whether the materials appear eligible for the National Register of Historic Places;
  - The mitigation measures the will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and
  - A time frame for the BLM to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the BLM are correct and that mitigation is appropriate.

If the operator wishes, at the time, to relocate activities to avoid the expenses of mitigation and/or the delays associated with this process, the BLM will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The BLM will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the BLM that the required mitigation has been completed, the operator will then be allowed to resume construction.

- c. The BLM would conduct U.S. Fish and Wildlife Service (USFWS) consultation and coordination as necessary for all mitigation activities relating to T&E, candidate species and their habitats. In areas that have not been previously surveyed or cleared for these species, a qualified biologist/botanist would conduct surveys for these species in areas of potential habitat prior to disturbance. If T&E, candidate, or sensitive species are found, consultation with the USFWS would be initiated, as necessary, and construction activities would be curtailed until the BLM, USFWS, and Operators concur on which activities can be authorized.
- d. The BLM, Moab Field Office will be contacted no earlier than 15 days and no later than



Lease No. UTU-89097

three (3) working days prior to commencement of construction activities.

e. "Sundry Notice and Report of Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

### 13. LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION

**Permit Matters** 

**Drilling & Completion Matters** 

EnCana Oil & Gas (USA) INC. 370 17<sup>TH</sup> Street, Suite 1700 Denver, CO 80202 Jevin Croteau

Office: (720) 876-5339 Cell: (720) 273-6427 EnCana Oil & Gas (USA) INC. 370 17<sup>th</sup> Street, Suite 1700 Denver, CO 80202 Kevin Brakovec – Drilling Engineer

Office: (720) 876-3668 Cell: (303) 710-0983



Lease No. UTU-89097

### **CERTIFICATION**

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EnCana Oil & Gas (USA) Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Jevin Croteau

Regulatory Analyst

Date: 5/2/07



## \_tate of Utah

DEPARTMENT OF NATURAL RESOURCES Division of Water Rights

MICHAEL R. STYLER Executive Director

IERRY D. OLDS State Engineer/Division Director

### ORDER OF THE STATE ENGINEER

For Temporary Change Application Number 05-6 (t31522)

Temporary Change Application Number 05-6 (t31522) in the name of Charles Hardison Redd was filed on May 1, 2006, to change the point of diversion, place of use, and nature of use of 20.00 acre-feet of water as evidenced by Water Right Number 05-6. Heretofore, the water has been diverted from a surface source located North 3420 feet and West 2851 feet from the SE Corner of Section 7, T28S, R25E, SLB&M. The water has been used for the irrigation of 5.00 acres from April I to October 31. The water was used in all or portion(s) of Section 35, T28S, R25E, SLB&M; Section 2, T29S, R24E, SLB&M; and Section 11, T29S, R24E, SLB&M.

Hereafter, it is proposed to divert 20.00 acre-feet of water from a surface source located North 712 feet and East 627 feet from the SW Corner of Section 8, T28S, R25E, SLB&M. The nature of use of the water is being changed. The water will now be used for drilling work for oil and gas wells, road construction, and maintenance. The place of use of the water is being changed to all or parts of Section 02, 08, 11, 14, 27, T29S, R24E, SLB&M; Section 08, T29S, R26E, SLB&M; Section 04, 09, 10, 14, 15, T30S, 25E, SLB&M.

Notice of this temporary change application was not published in a newspaper. It is the opinion of the State Engineer that it meets the criteria of Section 73-3-3 of the Utah Code for the approval of temporary change applications.

It is the opinion of the State Engineer that this change application can be approved without adversely affecting existing rights. The applicant is put on notice that diligence must be shown in pursuing the development of this application which can be demonstrated by the completion of the project as proposed in the change application.

It is, therefore, ORDERED and Temporary Change Application Number 05-6 (t31522) is hereby APPROVED subject to prior rights.

This temporary change application shall expire one year from the date hereof.

It is the applicant's responsibility to maintain a current address with this office and to update ownership of their water right. Please notify this office immediately of any change of address or for assistance in updating ownership.

The applicant is advised to contact the Stream Alteration Section of the Division of Water Rights to ascertain if a Stream Alteration permit is required for this Temporary Change Application.

Your contact with this office, should you need it, is with the Southeastern Regional Office. The telephone number is 435-637-1303.

ORDER OF THE STATE ENGINEER Temporary Change Application Number 05-6 (t31522) Page 2

This Order is subject to the provisions of Administrative Rule R655-6-17 of the Division of Water Rights and to Sections 63-46b-13 and 73-3-14 of the Utah Code which provide for filing either a Request for Reconsideration with the State Engineer or an appeal with the appropriate District Court. A Request for Reconsideration must be filed with the State Engineer within 20 days of the date of this Order. However, a Request for Reconsideration is not a prerequisite to filing a court appeal. A court appeal must be filed within 30 days after the date of this Order, or if a Request for Reconsideration has been filed, within 30 days after the date the Request for Reconsideration is denied. A Request for Reconsideration is considered denied when no action is taken 20 days after the Request is filed.

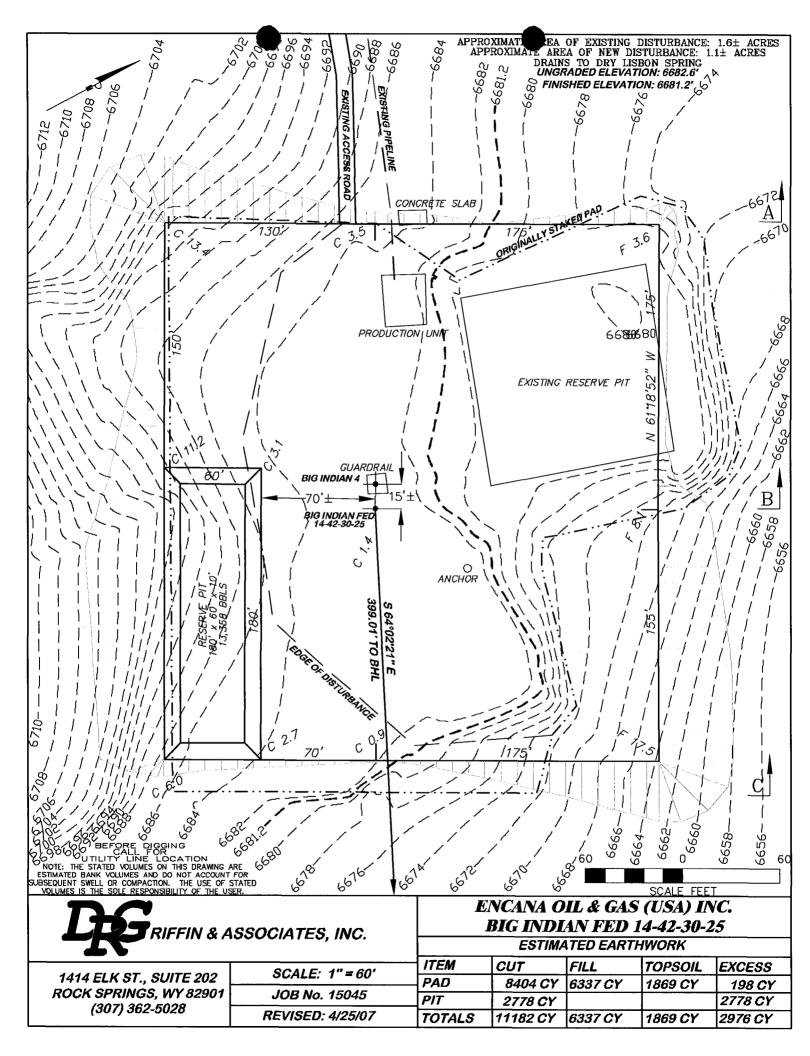
Dated this 31 day of May 2006.

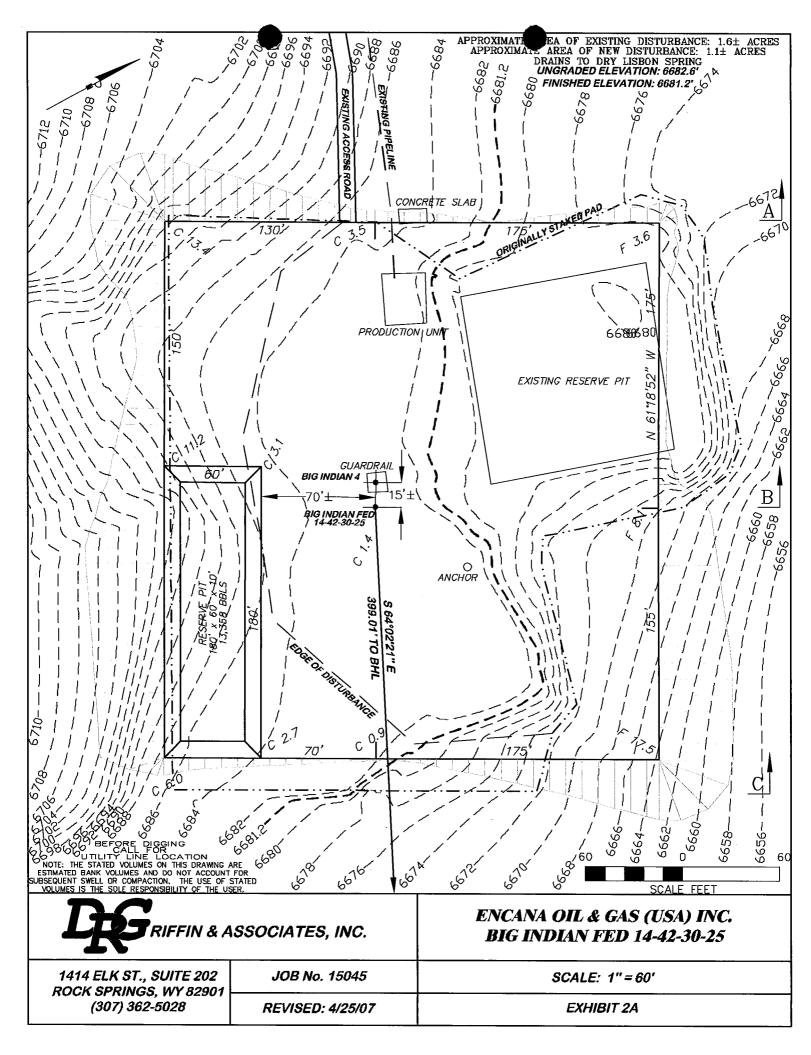
Marc K. Stilson, P.E., Regional Engineer

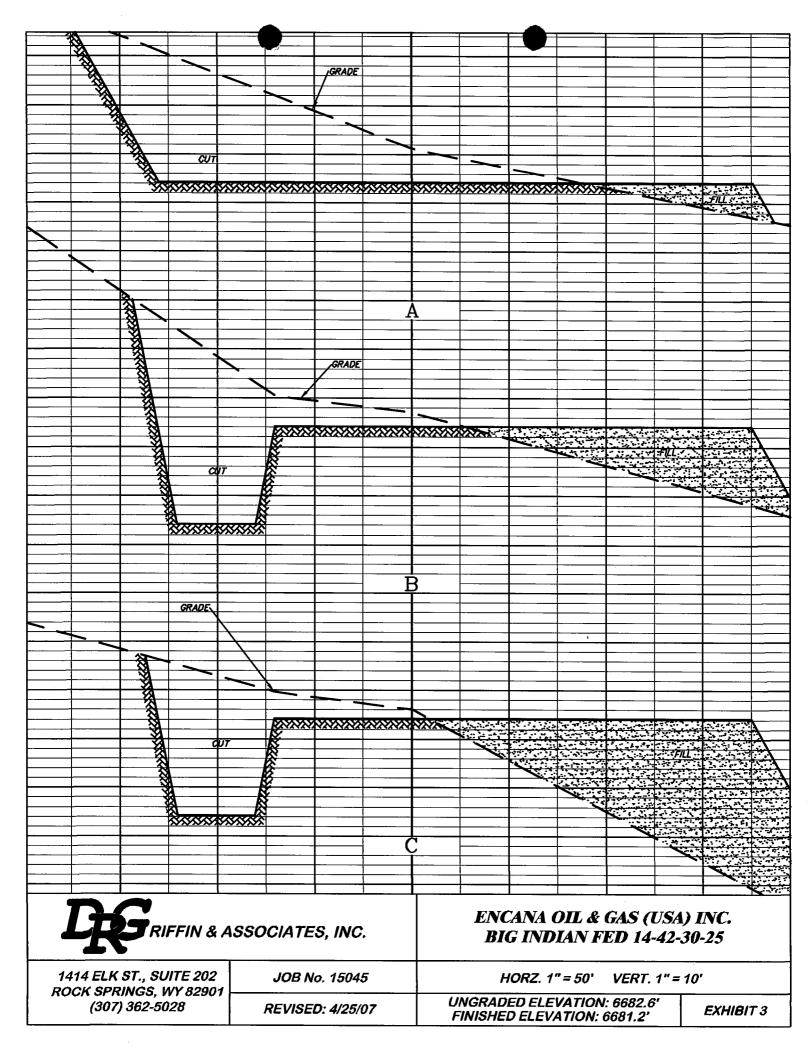
Mailed a copy of the foregoing Order this Zi day of May, 2006 to

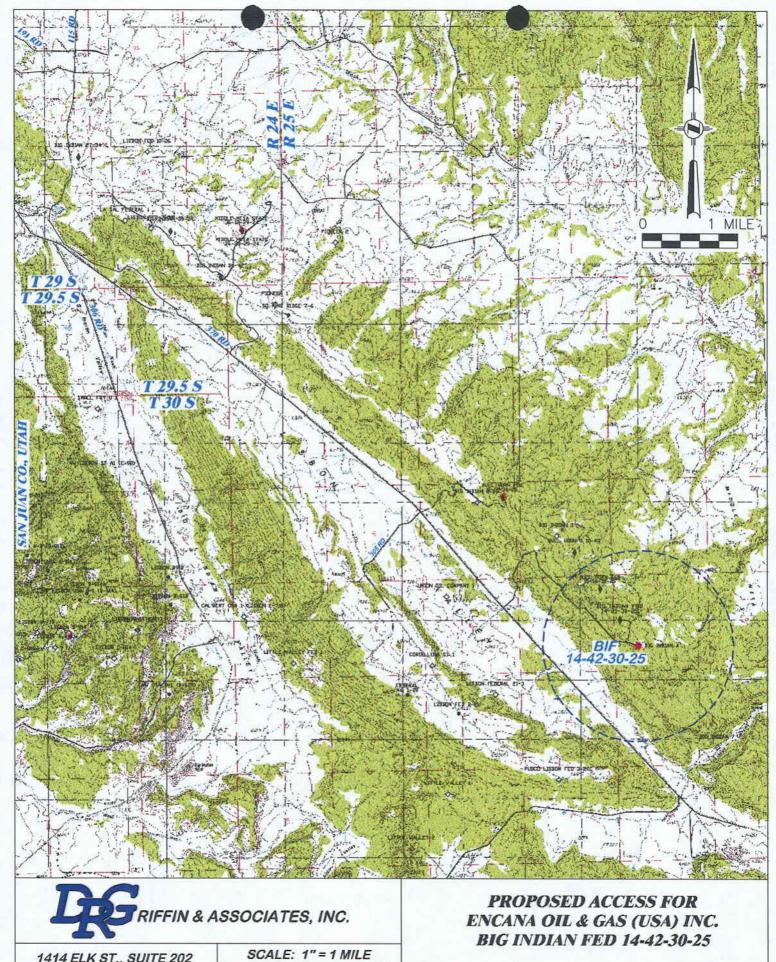
Charles Hardison Redd P.O.Box 247 La Sal UT 84530

Stream Alteration Section Division of Water Rights







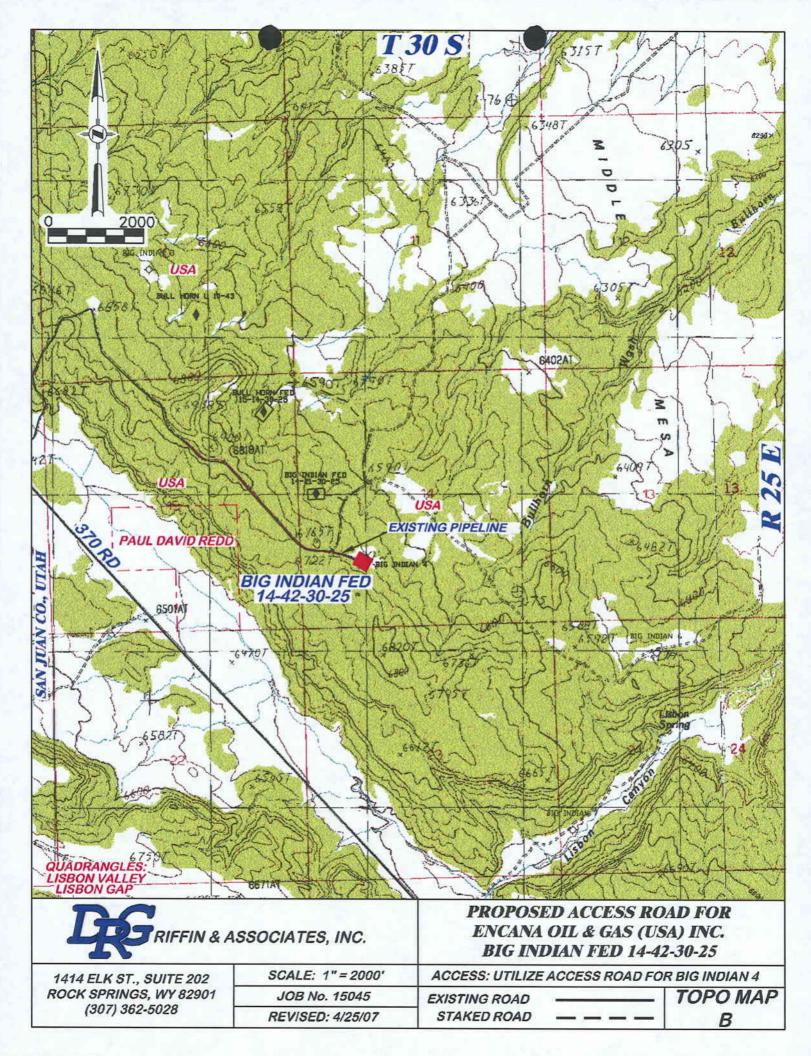


1414 ELK ST., SUITE 202 ROCK SPRINGS, WY 82901 (307) 362-5028 SCALE: 1" = 1 MILE JOB No. 15045

REVISED: 4/25/07

EXISTING ROAD 7

TOPO MAP





WELL LOCATION LOOKING NORTH



WELL LOCATION LOOKING SOUTH



WELL LOCATION LOOKING WEST



WELL LOCATION LOOKING EAST

RIFFIN & ASSOCIATES, INC.

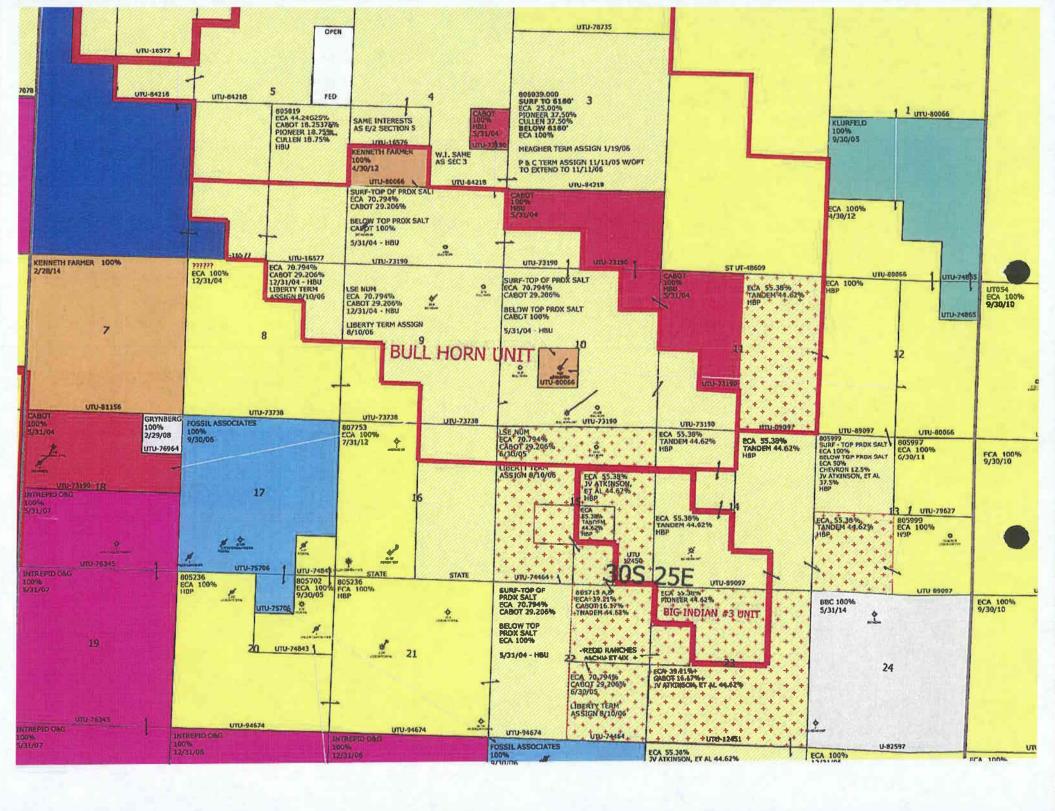
1414 ELK ST., SUITE 202 ROCK SPRINGS, WY 82901 (307) 362-5028

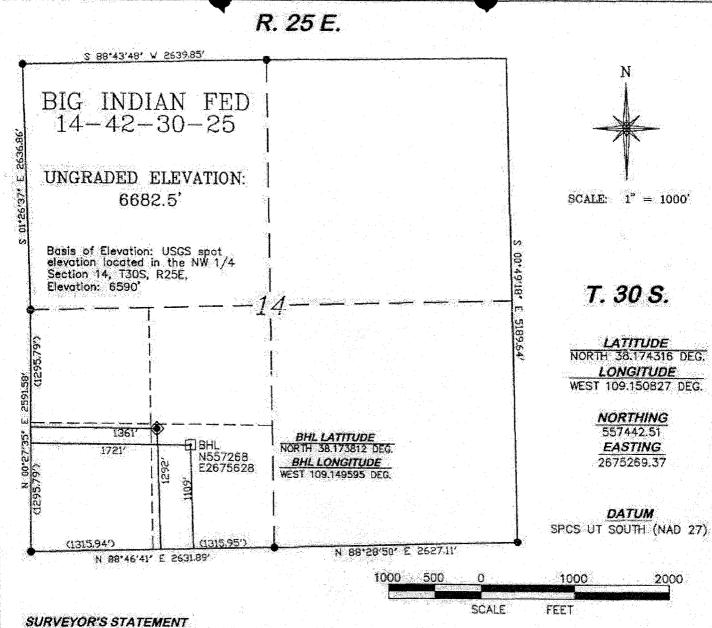
JOB No. 15045

REVISED: 1/26/07

ENCANA OIL & GAS (USA) INC. BIG INDIAN FED 14-42-30-25

**EXHIBIT** 6





I, Louis A. Pence, of Rock Springs, Wyoming, hereby state: This map was made from notes taken during an actual survey under my direct supervision on JANUARY 14, 2007, and it correctly shows the location of BIG INDIAN FED 14-42-30-25.

#### NOTES

- **♦ WELL LOCATION**
- FOUND MONUMENT (BC)

1414 ELK ST., SUITE 202 ROCK SPRINGS, WY 82901

(307) 362-5028

■ APPROXIMATE BHL

EXHIBIT 1

5918405

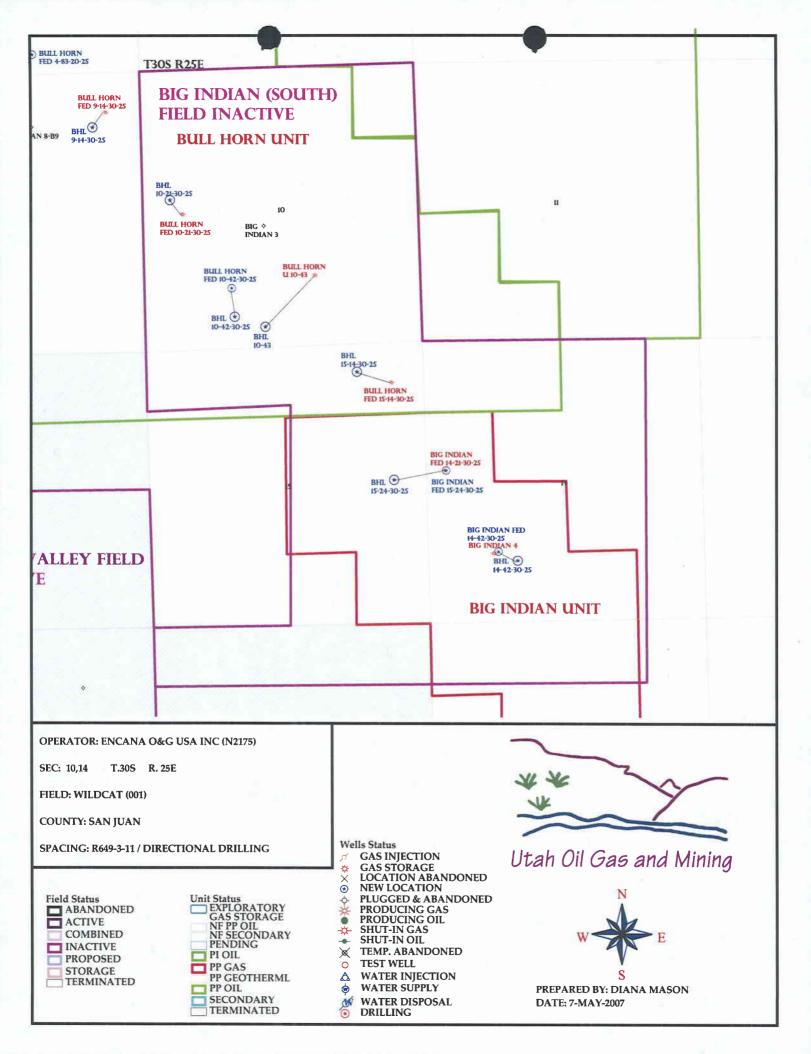


SCALE: 1" = 1000' JOB No. 15045 REVISED: 1/26/07

PLAT OF DRILLING LOCATION FOR ENCANA OIL & GAS (USA) INC.

1292' F/SL & 1361' F/WL, SECTION 14. T. 30 S., R. 25 E., SALT LAKE B.M. SAN JUAN COUNTY, UTAH

APD RECEIVED: 05/03/2007	API NO. ASSIG	SNED: 43-037	-31860				
WELL NAME: BIG INDIAN FED 14-42-30-25  OPERATOR: ENCANA OIL & GAS (USA) ( N2175 )  CONTACT: JEVIN CROTEAU	PHONE NUMBER: 720-876-5339						
PROPOSED LOCATION:	INSPECT LOCATN	BY: /	/				
SESW 14 300S 250E SURFACE: 1292 FSL 1361 FWL	Tech Review	Initials	Date				
BOTTOM: 1109 FSL 1721 FWL	Engineering						
COUNTY: SAN JUAN	Geology						
LATITUDE: 38.17422 LONGITUDE: -109.1507 UTM SURF EASTINGS: 661987 NORTHINGS: 42265	55 Surface						
LEASE TYPE: 1 - Federal  LEASE NUMBER: UTU-89097  SURFACE OWNER: 1 - Federal  RECEIVED AND/OR REVIEWED:	PROPOSED FORMATE COALBED METHANION AND SITING:		RT				
Plat  Bond: Fed[1] Ind[] Sta[] Fee[]  (No. RLB0001191 )  Potash (Y/N)  Oil Shale 190-5 (B) or 190-3 or 190-13  Water Permit  (No. 05-6 )  RDCC Review (Y/N)  (Date: )  Fee Surf Agreement (Y/N)  Intent to Commingle (Y/N)	R649-2-3.  Unit: BIG INDIAN PROPERTY Siting: 460 From One of the property of t	tr/Qtr & 920' Be					
COMMENTS:							
STIPULATIONS: 1. South Op. 2. Spc. Cias.	Serp.						





### State of Utah

### Department of **Natural Resources**

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

> JOHN R. BAZA Division Director

JON M. HUNTSMAN, JR. Governor

> GARY R. HERBERT Lieutenant Governor

> > May 7, 2007

Encana Oil & Gas (USA) Inc. 370 17th St., Ste. 1700 Denver, CO 80202

Re:

Big Indian Federal 14-42-30-25 Well, Surface Location 1292' FSL. 1361' FWL, SE SW, Sec. 14, T. 30 South, R. 25 East, Bottom Location 1109' FSL, 1721' FWL, SE SW, Sec. 14, T. 30 South, R. 25 East, San Juan County, Utah

#### Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-037-31860.

Sincerely.

Associate Director

pab Enclosures

San Juan County Assessor cc:

Bureau of Land Management, Moab Office

Operator:	Encana	Oil & Gas (USA) Inc.						
Well Name & Number	Big Indi	Big Indian Federal 14-42-30-25						
API Number:	43-037-	31860						
Lease:	UTU-89097							
Surface Location: SESW	Sec. 14	<b>T.</b> <u>30 South</u>	<b>R.</b> 25 East					
Bottom Location: SESW	Sec. 14_	<b>T.</b> <u>30 South</u>	<b>R.</b> <u>25 East</u>					
	Conditions of A	nnroval						

#### 1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

### 2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

Contact Carol Daniels at (801) 538-5284

Notify the Division prior to commencing operations to plug and abandon the well.

• Contact Dustin Doucet at (801) 538-5281

### 3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

- 4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.
- 5. In accordance with Utah Admin. R.649-3-11, Directional Drilling, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.
- 6. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

# UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB NO. 1004-0137 Expires: March 31, 2007

Lease Serial No.

RECEIVED UTU-89097 APPLICATION FOR PERMIT TO DRILL OR REENTER SELD BEFIOEdian, Allottee or Tribe Name 'If Unitor CA Agreement, Name and No. Big Indian, #UTU-063039X la. Type of Work DRILL REENTER Lease Name and Well No. Big Indian Fed 14-42-30-25 1b. Type of Well Oil Well X Gas Well Other Single Zone X Multiple Zone API WELL No. 2. Name of Operator 4303731860 EnCana Oil & Gas (USA) Inc. 3a. Address 3b. Phone No. (include area code) 370 17th St., Suite 1700, Denver CO 80202 303-623-2300 Big Indian (South) 4. Location of well (Report location clearly and In accordance with any State requirements.\*) 11. Sec., T., R., M., or Blk. And Survey or Area 1292' FSL & 1361' FWL Sec. 14, T30S-R25E 1109' FSL & 1721' FWL At proposed prod. zone 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\* 12. County or Parish 13. State Approximately 10 Miles SE of La Sal, UT Utah San Juan 16. No. of Acres in lease 17. Spacing Unit dedicated to this well 15. Distance from proposed\* location to nearest 1109 ' 2,200,00 40 acres BHI. property or lease line, ft. (Also to nearest drlg unit line, if any) 930 Unit line 19. Proposed Depth 20. BLM/ BIA Bond No. on file 18. Distance from proposed location\* to nearest well, drilling 3217 RLB0004733 completed, applied for, on this lease, ft. TVD Approx. 464' 22. Aproximate date work will start\* 21. Elevations (Show whether DF. RT, GR, etc.) 23. Estimated Duration 6682.5 15-Jul-07 20 Days 24. Attachments The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1 shall be attached to this form: 1. Well plat certified by a registered surveyor. Bond to cover the operations unless covered by existing bond on file 2. A Drilling Plan. (see item 20 above). 3. A Surface Use Plan ( if the location is on National Forest Operator certification. System Lands, the SUPO shall be filed with the appropriate 6. Such other site specific information and/ or plans as may be required Forest Service Office) by the authorized officer. I hereby certify that EnCana Oil & Gas (USA) Inc. is responsible under the terms and conditions of the lease to conduct lease operations.

I hereby certify that EnCana Oil & Gas (USA) Inc. is responsible under the terms and conditions of the lease to conduct lease operations. Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by RLB0004733.

25. Signature	Name (Printed/ Typed)  Jevin Croteau	Date 5/2/07		
Title Regulatory Analyst				
Approved By (Signature) /s/ 4. Lynn Jackson	Name (Printed/ Typed) /s/ 4. Lynn Jackson	Date : 7   31/67		
Assistant Field Manager,	Office Division of Resources Moab Field Office			
Application approval does not warrant or certify that the application to conduct operations thereon.	nt holds legal or equitable title to those rights in the sub	oject lease which would		

Conditions of approval, if any, are attached.

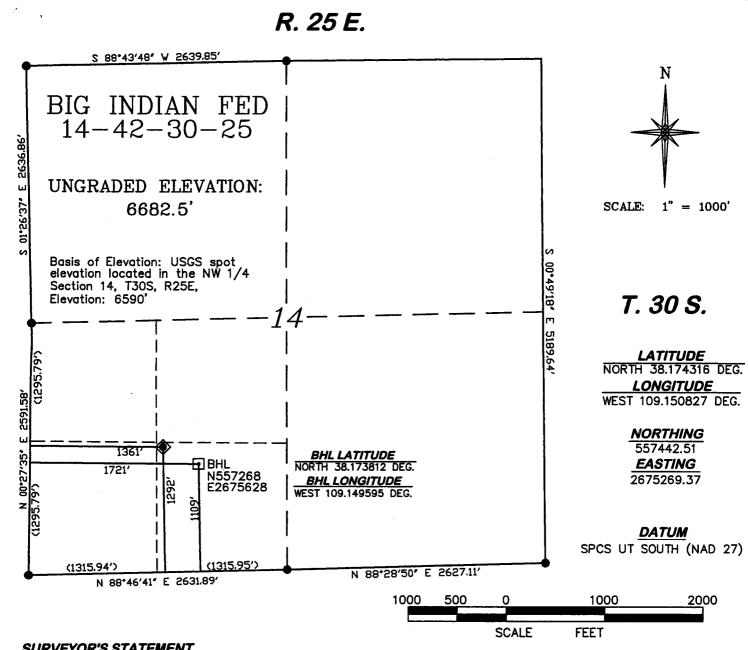
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\* (Instructions on page 2)

RECEIVED

AUG 0 3 2007

CONDITIONS OF APPROVAL ATTACKS



SURVEYOR'S STATEMENT

I, Louis A. Pence, of Rock Springs, Wyoming, hereby state: This map was made from notes taken during an actual survey under my direct supervision on JANUARY 14, 2007, and it correctly shows the location of BIG INDIAN FED 14-42-30-25.

### NOTES

- WELL LOCATION
- FOUND MONUMENT (BC)
- APPROXIMATE BHL

EXHIBIT 1

5918405

RIFFIN & ASSOCIATES, INC.

1414 ELK ST., SUITE 202 ROCK SPRINGS, WY 82901 (307) 362-5028

SCALE: 1" = 1000' JOB No. 15045 REVISED: 1/26/07

PLAT OF DRILLING LOCATION **FOR** ENCANA OIL & GAS (USA) INC.

1292' F/SL & 1361' F/WL, SECTION 14, T. 30 S., R. 25 E., SALT LAKE B.M. SAN JUAN COUNTY, UTAH

EnCana Oil & Gas (USA), Inc. Big Indian Federal 14-42-30-25

Lease, Surface: UTU-089097 Bottom-hole: UTU-089097 Big Indian Unit (UTU-63039-X)

Location, Surface: SE/SW Section 14, T30S, R25E Bottom-hole: SE/SW Section 14, T30S, R25E

San Juan County, Utah

A COMPLETE COPY OF THIS APPROVED PERMIT and Conditions of Approval shall be maintained on location during all construction and drilling operations, and shall be available to contractors to ensure compliance.

### **CONDITIONS OF APPROVAL**

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be advised that EnCana Oil & Gas (USA), Inc. is considered to be the operator of the above well and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by **UT1005** (Principal – EnCana Oil & Gas (USA), Inc.) via surety consent as provided for in 43 CFR 3104.2.

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR 3106.7-2 continuing responsibility are met.

This permit will be valid for a period of two years from the date of approval. After permit termination, a new application must be filed for approval.

All lease operations will be conducted in full compliance with applicable regulations (43 CFR 3100), Onshore Oil and Gas Orders, lease terms, notices to lessees, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. Failure to comply with the provisions of this permit, including applicable regulations, stipulations, and/or approval conditions, will be considered a violation subject to the enforcement provisions of 43 CFR Subpart 3163.

#### A. DRILLING PROGRAM

- 1. The proposed 3M BOP system is adequate for anticipated conditions. Installation, testing and operation of the system shall be in conformance with Onshore Oil and Gas Order No. 2.
- 2. Concurrent approval from the State of Utah, Division of Oil, Gas & Mining (DOGM) is required before conducting any surface disturbing activities.
- 3. The surface casing shall extend at least 50 feet into the Chinle Formation, and shall be cemented to surface.

### B. SURFACE

- 1. Cultural resource sites identified in the inventory reports prepared by Four Corners Archaeological Services (4-CAS Report Nos. 2615, 2616, 2622 and 2623), will be avoided during all phases of the project.
- 2. In order to protect watershed values, no drilling operations will be authorized between November 1 and April 30. The limitation does not apply to maintenance and operations of producing wells.
- 3. In order to protect wintering big game animals, no drilling operations will be authorized between November 1 and May 15. The limitation does not apply to maintenance and operation of producing wells.
- 4. The operator will be responsible for weed control on the disturbed areas within the limits of the well pad and road construction. The operator will be responsible for consultation with the authorized officer and/or local authorities for acceptable weed control methods.

### C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Required verbal notifications are summarized in Table 1, attached.

<u>Building Location</u>- Contact the BLM, Natural Resource Protection Specialist at least 48-hours prior to commencing construction of location.

<u>Spud-</u> The spud date will be reported to BLM 24-hours prior to spud. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the Moab Field Office within 24-hours after spud, regardless of whether spud was made with a dry hole digger or big rig.

<u>Daily Drilling Reports</u>- Daily drilling reports shall detail the progress and status of the well and shall be submitted to the Moab Field Office on a weekly basis.

Oil and Gas Operations Reports (OGORs)- Production from this well shall be reported to Minerals Management Service (MMS) on a monthly basis.

<u>Sundry Notices</u>- There will be no deviation from the proposed drilling and/or workover program without prior approval. "Sundry Notices and Reports on Wells" (Form 3160-5) will be filed with the Moab Field Office for approval of all changes of plans and subsequent operations in accordance with 43 CFR 3162.3-2. Safe drilling and operating practices must be observed.

<u>Drilling Suspensions</u>- Operations authorized by this permit shall not be suspended for more than 30 days without prior approval of the Moab Field Office. All conditions of this approval shall be applicable during any operations conducted with a replacement rig.

<u>Undesirable Events</u>- Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be immediately reported to the BLM in accordance with requirements of NTL-3A.

<u>Cultural Resources</u>- If cultural resources are discovered during construction, work that might disturb the resources is to stop, and the Moab Field Office is to be notified.

<u>First Production</u>- Should the well be successfully completed for production, the Moab Field Office will be notified when the well is placed in producing status. Such notification may be made by phone, but must be followed by a sundry notice or letter not later than five business days following the date on which the well is placed into production.

A first production conference will be scheduled as soon as the productivity of the well is apparent. This conference should be coordinated through the Moab Field Office. The Moab Field Office shall be notified prior to the first sale.

Well Completion Report- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted to the Moab Field Office not later than thirty-days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. When requested, samples (cuttings and/or samples) will be submitted to the Moab Field Office.

<u>Venting/Flaring of Gas</u>- Gas produced from this well may not be vented/flared beyond an initial, authorized test period of 30 days or 50 MMcf, whichever first occurs, without the prior, written approval of the Moab Field Office. Should gas be vented or flared without approval beyond the authorized test period, the well may be ordered shut-in until the gas can be captured or approval to continue the venting/flaring as uneconomic is granted. In such case, compensation to the lessor (BLM) shall be required for that portion of the gas that is vented/flared without approval and which is determined to have been avoidably lost.

<u>Produced Water-</u> An application for approval of a permanent disposal method and location will be submitted to the Moab Field Office for approval pursuant to Onshore Oil and Gas Order No.7.

Off-Lease Measurement, Storage, Commingling- Prior approval must be obtained from the Moab Field Office for off-lease measurement, off-lease storage and/or commingling (either down-hole or at the surface).

<u>Plugging and Abandonment</u>- If the well is completed as a dry hole, plugging instructions must be obtained from the Moab Field Office prior to initiating plugging operations.

A "Subsequent Report of Abandonment" (Form 3160-5) will be filed with the Moab Field Office within thirty-days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR 3162.6. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the Moab Field Office or the appropriate surface managing agency.

#### TABLE 1

#### **NOTIFICATIONS**

Notify Jeff Brown (435-587-1525) BLM Monticello Field Office for the following:

2 days prior to commencement of dirt work, construction and reclamation;

1 day prior to spud;

50 feet prior to reaching the surface casing setting depth;

3 hours prior to testing BOPE.

If the person at the above number cannot be reached, notify the Moab Field Office at 435-259-2100. If unsuccessful, contact the person listed below.

Well abandonment operations require 24 hour advance notice and prior approval. In the case of newly drilled dry holes, verbal approval can be obtained by calling the Moab Field Office at 435-259-2100. If approval is needed after work hours, you may contact the following:

Eric Jones, Petroleum Engineer

Office: 435-259-2117 Home: 435-259-2214 Form 3160-5 (August 2007)

### UNITED STATES DEPARTMENT OF THE INTERIOR

FORM	A A	PPI	ROY	VED
OMB	No.	10	04-	0137
Expire	e. Ii	ılv	31	201

BURE	EAU OF LAND MAN		5. Lease Serial No. UTU 089097				
Do not use this fo	OTICES AND REPO orm for proposals t Use Form 3160-3 (A	ORTS ON WELLS to drill or to re-enter a APD) for such proposa	n als.	6. If Indian, Allottee or	Tribe Name		
	IN TRIPLICATE – Other	r instructions on page 2.		7. If Unit of CA/Agree Big Indian #UTU-063	ment, Name and/or No. 3039X		
1. Type of Well Oil Well Gas W	ell Other			8. Well Name and No. Big Indian Fed 14-42	2-30-25		
2. Name of Operator EnCana Oil & Gas (USA) Inc.				9. API Well No. 43-037-31860			
3a. Address 370 17th Street Suite 1700 Denver, CO 80202		rode)	10. Field and Pool or E Big Indian(South)	•			
4. Location of Well (Footage, Sec., T.,1 Sec 4 T30S R25E	R.,M., or Survey Description	n)		11. Country or Parish, San Juan County	-m ·		
12. CHEC	K THE APPROPRIATE BO	OX(ES) TO INDICATE NATUR	RE OF NOTI	CE, REPORT OR OTH	ER DATA		
TYPE OF SUBMISSION		YPE OF ACT	LION				
Notice of Intent  Subsequent Report  Final Abandonment Notice	Acidize Alter Casing Casing Repair Change Plans Convert to Injection	Deepen Fracture Treat New Construction Plug and Abandon Plug Back	Rec	duction (Start/Resume) lamation omplete aporarily Abandon ter Disposal	Water Shut-Off Well Integrity Other Make well confidential		
13. Describe Proposed or Completed O the proposal is to deepen direction.	ally or recomplete horizonta work will be performed or p red operations. If the operal Abandonment Notices musion r final inspection.)	ally, give subsurface locations an rovide the Bond No. on file with tion results in a multiple complet	nd measured an BLM/BIA. tion or recom	and true vertical depths on Required subsequent republication in a new interval	, a Form 3160-4 must be filed once		
Please mark this well as confidence				NFIDEN GHT HC			

SEP 0 4 2007

	•
Title Operations Tech	
Date 08/30/2007	
AL OR STATE OFFICE	USE
Title	Date
ld Office	
	Date 08/30/2007  AL OR STATE OFFICE  Title

#### STATE OF UTAH

DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

### **ENTITY ACTION FORM**

Operator:

Encana Oil & Gas (USA) Inc

Operator Account Number: N 2/15

Address:

370 17th Street Suite 1700

city Denver

zip 80202 state Co

Phone Number: \_(720) 876-3219

#### Well 1

API Number	Well	QQ	Sec	Twp	Rng	County			
4303731860	Big Indian Fed 14-42-	Big Indian Fed 14-42-30-25 SESW 14 303		308	25E	San Juan			
Action Code	Current Entity Number	New Entity Number	<b>Spud Date</b> 9/20/2007				Entity Assignment Effective Date		
*B	99999	8124				101	10/17/07		
Comments: //	VKRT = HK BHL = SES	ems W		(	CONF	IDEN	TIAL		

API Number	Well I	Name	QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	Spud Date			Entity Assignment Effective Date		
omments:				<del>.</del>	···		

#### Well 3

API Number	Well	Name	QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	Spud Date			Entity Assignment Effective Date		
Comments:		<del></del>					

#### **ACTION CODES:**

- A Establish new entity for new well (single well only)
- **B** Add new well to existing entity (group or unit well)
- C Re-assign well from one existing entity to another existing entity
- **D** Re-assign well from one existing entity to a new entity
- E Other (Explain in 'comments' section)

Susan Guidry

Name (Please Print)

Signature

**Operations Tech** RECEIVED

9/24/2007

Date

OCT 0 5 2007



Well: Big Indian Federal 14-42-30-25

API#: 4303731860

Operations Date: 09/20/2007

Surface Location: SESW Sec 14 T30S - R25E 6th PM

Area: Big Indian

Report #:

Spud Date:

Days From Spud: 0

Depth At 06:00:

Morning Operations: Rig up

Estimated Total Depth:

Remarks:

Time To

Description

6:00 AM

Move rig & camp

Well: Big Indian Federal 14-42-30-25

API#: 4303731860

Operations Date: 09/19/2007

Surface Location: SESW Sec 14 T30S - R25E 6th PM

Area: Big Indian

Report #:

Spud Date:

Days From Spud: -1

Depth At 06:00:

Morning Operations: Move rig

Estimated Total Depth:

Remarks:

Time To

Description

12:00 PM

Wait on location

6:00 AM

Move rig

API#: 4303731860

Operations Date: 09/18/2007

Surface Location: SESW Sec 14 T30S - R25E 6th PM

Well: Big Indian Federal 14-42-30-25

Area: Big Indian

Report #:

Spud Date:

Days From Spud: -2

Depth At 06:00:

Morning Operations: Wait on location

Estimated Total Depth:

Remarks:

Time To

Description

6:00 AM

Wait on location



Well: Big Indian Federal 14-42-30-25

API#: 4303731860 Area: Big Indian

Operations Date: 09/24/2007

Surface Location: SESW Sec 14 T30S - R25E 6th PM

Report #:

Spud Date:

Days From Spud: 4

Depth At 06:00:

1958

Morning Operations: Wait on wireline truck

Estimated Total Depth:

Became stuck while sliding @ 1958'.

Remarks:

Remarks:

Time To

Description

8:00 AM

Drilling

12:30 PM

Work tight hole, mud up, circulate to condition hole

5:00 PM

Wiper trip 14 stds, work tight hole

6:30 PM

Drilling

6:00 AM

Work stuck pipe

Spud Date:

Well: Big Indian Federal 14-42-30-25

API#: 4303731860

Operations Date: 09/23/2007

Surface Location: SESW Sec 14 T30S - R25E 6th PM

Area: Big Indian

Report #:

Depth At 06:00:

1852

6

Morning Operations: Drilling surface

Days From Spud: 3

Estimated Total Depth:

Time To

Description

9:30 AM

Drilling Service rig

10:00 AM 2:00 PM

Drilling

9:30 PM

Trip, pick up new directional tools, work tight hole

6:00 AM

Directional drilling surface hole

Well: Big Indian Federal 14-42-30-25

API#: 4303731860

Operations Date: 09/22/2007

Surface Location: SESW Sec 14 T30S - R25E 6th PM

Area: Big Indian

Report #: Depth At 06:00:

Estimated Total Depth:

1184

Spud Date:

Morning Operations: Drilling

Days From Spud: 2

Remarks:

Wiper trip went well.

Time To 9:30 AM Description

10:00 AM

Drilling Service rig

12:00 AM

Drilling

3:00 AM

Wiper trip 15 stds

6:00 AM

directional drilling 12.25 " surfrace hole

API#: 4303731860

Operations Date: 09/21/2007

Well: Big Indian Federal 14-42-30-25 Surface Location: SESW Sec 14 T30S - R25E 6th PM

Area: Big Indian

Report #: Depth At 06:00:

485

Spud Date:

Days From Spud: 1

Estimated Total Depth:

Spud @ 14:30 hrs 9/20/07.

Remarks:

2:30 PM

Description

Time To

Rig up

7:00 PM

Drilling surface hole

Morning Operations : Directional drilling surface hole

8:00 PM

Scribe tools / adj motor

6:00 AM

Directional drilling surface hole

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Report by Decision Dynamics Technology Ltd. Wellcore

October 3, 2007 8:32 AM



Well: Big Indian Federal 14-42-30-25

API #: 4303731860 Area: Big Indian

Operations Date: 09/27/2007

Surface Location: SESW Sec 14 T30S - R25E 6th PM

Report #:

19580

Spud Date:

Morning Operations : W.O Orders

Days From Spud: 7

Depth At 06:00:

Estimated Total Depth:

Remarks:

Remarks:

Of BLM On 9/25/07

Time To

Description

1:30 PM

L.D.D.P. & H.W.D.P

4:00 PM

Pick up Directtional tools bend motor 1.83

5:30 PM

Pick up DC & Jars

9:00 PM

W.O. orders

11:00 PM

Pick up H.W.D.P try to tag cement

3:15 AM

Work on tight hole

6:00 AM

Trip out & W.O.Orders

Well: Big Indian Federal 14-42-30-25

API#: 4303731860

Operations Date: 09/26/2007

Surface Location: SESW Sec 14 T30S - R25E 6th PM

Area: Big Indian

Report #:

Spud Date:

Days From Spud: 6

Depth At 06:00:

Bottom Plug From 1400 To 100 Top Plug From 650 To

500 Will Sit Surface @ 2200 Resevd order from Eric Jonse

1958

Morning Operations: W.O.cement

Estimated Total Depth:

Time To

Description

10:30 AM

Run Free Point

12:00 PM 3:00 PM

Trip W.O.O

7:00 PM

W.O.Cementers

9:00 PM

Trip In hole

1:30 AM

Circ. W.O Cementers

2:00 AM

Mix Pump 400sxPlug

2:30 AM

Pull 9 STDS

3:00 AM

Circ.

4:00 AM

Mix & Pump 150 sx

4:30 AM

5:00 AM

Trip Out

6:00 AM

W.O.Cement

Well: Big Indian Federal 14-42-30-25

API#: 4303731860

Operations Date: 09/25/2007

Surface Location: SESW Sec 14 T30S - R25E 6th PM

Area: Big Indian

Report #:

Spud Date:

Days From Spud: 5

Depth At 06:00:

Estimated Total Depth:

1958

Morning Operations: Wireline freepoint run

Remarks:

Time To 7:00 AM Description

Work tight hole

12:30 PM

Run wireline freepoint

8:00 PM

Displace hole w/ wtr, Jarring on stuck pipe

10:30 PM

Run wireline freepoint

5:00 AM

Jarring on string

6:00 AM

Run wireline freepoint

Stuck below top drill collar

CONFIDENTIAL

8:00 AM

4:30 AM 5:15 AM Lay Down DC & Jars



API#: 4303731860 Operations Date: 09/30/2007 Well: Big Indian Federal 14-42-30-25

Surface Location: SESW Sec 14 T30S - R25E 6th PM Area: Big Indian Report #: 13

Depth At 06:00: 911 Days From Spud: 10 Spud Date:

Estimated Total Depth: Morning Operations: Drilling

Remarks:

Time To Description

10:00 AM Trip in W/ Directional tools & 3 STDS DC 11:00 AM Pick up Kelly & Ream Down

6:00 AM Drilling 360 to 911

API#: 4303731860 Operations Date: 09/29/2007 Well: Big Indian Federal 14-42-30-25

Surface Location: SESW Sec 14 T30S - R25E 6th PM Area: Big Indian Report #: 12

Depth At 06:00: Days From Spud: 9 Spud Date:

Morning Operations : Driill Top of cmt Estimated Total Depth:

Top cmt plug @ 310 Drill to 346 cmt OK triping out to pick Time To Description

Remarks:

Remarks:

up Directional tools 5:00 AM W.O.Cement

6:00 AM Trip in tag cmt & Drill top cmt plug

API#: 4303731860 Operations Date: 09/28/2007 Well: Big Indian Federal 14-42-30-25

Surface Location: SESW Sec 14 T30S - R25E 6th PM Area: Big Indian Report #: 11

Depth At 06:00: Days From Spud: 8 Spud Date:

Morning Operations: Trip In 21 jts to set plug Estimated Total Depth:

Time To Description CMT Permium - Glass-G 300 sks 17# YLD.1.0 53.4 bbls. 11:00 AM W.O.Orders Salt 3% CFR-3 W/O Defoamer 50 bbl sk D-Air 3000l 5

gal.pail 1:00 PM Trip in lay down 8 61/4 DC & Jars Plug @ 650 to 350 W.O.Cement 24hrs 0500 28 / 07 to

1:00 AM W.O.Halliburton 0500 29 / 07

3:00 AM

Trip in 21 jts into set plug

6:00 AM W.O.Cement

Rig up & Mix Pump CMT Plug @ 650 to 350

W.O.Halliburtom



Well: Big Indian Federal 14-42-30-25

API#: 4303731860 Area: Big Indian

Operations Date: 10/03/2007

Surface Location: SESW Sec 14 T30S - R25E 6th PM

Report #: 16

Spud Date:

Days From Spud: 13

Depth At 06:00: Estimated Total Depth:

Morning Operations : W.O.Cement

Remarks:

Time To

Description

7:00 AM

Circ.& Pump Sweep 50 bbls

10:00 AM

Short Trip

11:30 AM

Circ. & Pump 120 bbl Sweep

2:30 PM

Trip out to run 9 5/8 csg

3:30 PM

Lay Down Directional Tools

7:00 PM

Rig up Run 9 5/8 csg

8:00 PM

Rig up Circ.

9:30 PM

mix & Pump CMT

2:30 AM

W.O.CMT

4:30 AM

Cut Off Conductor & 9 5/8 csg

6:00 AM

W.O.Wellhead

Well: Big Indian Federal 14-42-30-25

API#: 4303731860

Operations Date: 10/02/2007

Surface Location: SESW Sec 14 T30S - R25E 6th PM

Area: Big Indian

Report #:

2295

Spud Date:

Days From Spud: 12

Depth At 06:00: Estimated Total Depth:

TD @0500 2295 10/2/07 Circ.1.1/2 hrs short trip circ.1.1/2

Morning Operations: Circ. TD 2295

Remarks:

hrs & run 9 5/8 csg

Time To

Description

5:00 AM

Drilling

6:00 AM

Circ.

API#: 4303731860

Operations Date: 10/01/2007

Surface Location: SESW Sec 14 T30S - R25E 6th PM

Well: Big Indian Federal 14-42-30-25

Area: Big Indian

Report #:

Spud Date:

Days From Spud: 11

Depth At 06:00:

1760

Morning Operations: Drilling

Estimated Total Depth:

Remarks:

Time To

Description

11:30 AM

Drilling

12:30 PM

Repair gear box on rig

12:00 AM

Drilling

2:30 AM

Weid sieeve on kelly bushing

6:00 AM

Drilling

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DIV. OF OIL, GAS & MINING

CONFIDENTIAL



## CONFIDENTIAL

### pason systems usa corp.

16100 Table Mountain Parkway • Ste. 100 • Golden • CO • 80403 Telephone (720) 880-2000 • Fax (720) 880-0016

43-037-31860

October 10, 2007

Utah Division of Oil, Gas & Mining P.O. Box 145801 Salt Lake City, UT 84114-5801

RE: ENCANA OIL & GAS (USA), INC.

**BIG INDIAN FEDERAL 14-42-30-25** 

SEC. 14, T30S, R25E

SAN JUAN COUNTY, UT

To Whom It May Concern:

Enclosed is the final computer colored log for the above referenced well.

We appreciate the opportunity to be of service to you and look forward to working with you in the near future.

If you have any questions regarding the enclosed data, please contact us.

Sincerely,

Bill Nagel

Geology Manager Pason Systems USA

Bill Nagl

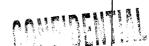
BN/gdr

Encl: 1 Computer Colored Log.

Cc: Stephen Schurger, EnCana Oil & Gas (USA), Inc., Denver, CO.

RECEIVED OCT 1 2 2007

# UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT



FORM APPROVED OMB NO. 1004-0137 Expires: July 31, 2010

			В	URE	AU OF	LAND MA	NA	GEMEN'	T		,		3		, रेख	Expires: Ju	ly 31, 2010
	w	ELL C	OMPL	ETIC	N OR R	ECOMPLE	ETI	ON REPO	ORT A	AND L	.og ື	2, 2 = -		5. L	ease Seri		
														UTL	08909	97	
la. Type of		Oil				Dry Deepen		other	7 5:0	c p				6. If	Indian,	Allottee or T	ribe Name
b. Type of	'Completion				work Over	☐ Deepen L	<b>—</b> P	lug Back L	→ Din	i. Kesvr.,	,						t Name and No.
2. Name of	Operator	Oth	er:													# UTU 063 ne and Well	
EnCana C	Operator Oil & Gas (	(USA) Inc	<b>.</b>													ed 14-42-	
3. Address	370 17th St	reet Suite 1	700 Denv	er CO 8	0202				Phone 1 0-876-	No. <i>(incl.</i> 3219	ude are	ea code	)		FI Well 373186		
4. Location	of Well (R	Report loca	tion clea	ırly an	d in accorde	ance with Fede	ral r			02.0				10. F	ield and	Pool or Ex	ploratory
At surfac		SL & 136	51' FWL	-											ndian(	South) R., M., on B	look and
At surfac	ie.																4 T30S R25E
At top pro	od. interval	reported h	elow											12. (	ounty o	r Parish	13. State
			2-1	١	771	2 1				_				İ	Juan		UT
At total d		364	<u>TS 1</u>	Date T	.D. Reached	TWI	12	er D	e Com	oleted 1	1/00/2	2007				s (DF RK)	B, RT, GL)*
09/20/200	)7		10/	05/20	07				D & A	✓ R	leady to	o Prod.					
18. Total D		D 3365'			19. Plu	g Back T.D.:	MI TV				20. De	epth Br	idge Plu		MD IVD		
21. Type E				s Run	(Submit cop	y of each)						as well		N		Yes (Submit	
	D. D.											as DST prection	run? al Surve	y? □ No		Yes (Submit Yes (Submit	
23. Casing				T				Stage Ceme	enter	No.	of Sks.	. &	Slurry	y Vol.			
Hole Size	Size/Gr		t. (#/ft.)	<del></del>	op (MD)	Bottom (MI	D) ——	Depth		Туре	of Cen		(BI	BL)		ent Top*	Amount Pulled
12.25	9.625"	36		Surf		2277'		2277'		790					surface	-	
8.75	5.5"	17	#	1850	) <sup>r</sup>	3352'		3352'		340		- 1			1850'		
	<del>-</del>					-											
				<del>                                     </del>													····
24. Tubing		Set (MD)	Pack	er Dent	h (MD)	Size		Depth Set (	MD) T	Packer I	Denth (N	МОЛ	Siz	re	Denth	Set (MD)	Packer Depth (MD)
2 3/8"	3050'	Set (MD)	1 ack	ci ocpi	ii (MD)	Size		Deptil Set (	(VID)	1 deker 1	ocpui (i	(MD)			Бери	Bet (MD)	Tacker Deput (MD)
25. Produci						D-#	_		ration I					1 Nt- 11	.1		Perf. Status
A) C 1 7	Formatio	n		1	op	Bottom	+	2582'-2630	ated In	tervai		3 3/8'	ize	No. H	oles		Peri. Status
B) H	HERT	:					7	2816'-2860				3 3/8'		76			
<u>C)</u>								2900'-2940	0'			3 3/8'		62			
D)								2980'-3108	8'			3 3/8'		284			
27. Acid, F	racture, Tre Depth Inter		ement Sq	ueeze,	etc.					Amount a	and Tyr	ne of M	aterial				
3083'-310			48	6.75	barrels of	water 30198	# 20	0/40 jordan-						64.5 gal	B145	11.8 gal	
2980'-303	0'					water 39840											
2900'-294						ter;39000# 2											
2816'-286 28. Product		al A	55	0 bar	rels water	;38526# 20/4	10 jc	ordan-unimi	in san	d; N2 3	30 ms	scf; F0	52 68.8	gal; B14	15 15.1	gal	
Date First	Test Date	Hours	Test				Wa		il Grav	-	Gas		Prod	luction Me	thod		
Produced		Tested	Produc	ction		MCF	BBI		orr. AF	PI	Grav	vity					
10/27/07	10/27/07	1	24 110		2	919	38		as/Oil		Wol	11 Statu				REC	EIVED
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate			Gas MCF	Wat BBI		atio		wei	ıı sıatu	•		6 3.	1111	LIVEU
28/64	SI 280	400	-	<b>&gt;</b>	2	919	38				IL	24	LCUD	0	ķ.	DEC	1 0 2007
28a. Produc	tion - Interv	val B					L							ì			An and
Date First Produced	Test Date	Hours Tested	Test Produc			I	Wat BBI		il Grav orт. AF		Gas Grav	vity	Prod	luction Me	thod DI	V. OF OIL	, GAS & MINING
			-1	<b>&gt;</b>													
Choke	Tbg. Press.	Csg.	24 Hr.				Wat		as/Oil		Wel	11 Statu	L				
Size	Flwg. SI	Press.	Rate		BBL	MCF	BBI	L R:	atio								

<sup>\*(</sup>See instructions and spaces for additional data on page 2)

28h D 3	uction - Inte	mol C								
Date First Produced		Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method	
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status		
28c. Prod	uction - Inte	rval D			1	L				
		Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method	
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status		
29. Dispo	sition of Gas	s (Solid, u	sed for fuel, ve	ented, etc.,	)	J				
30. Sumn	nary of Poro	us Zones	(Include Aqui	ifers):		, . ,		31. Format	ion (Log) Markers	
	ing depth int					intervals and all	drill-stem tests, pressures and			T
Fort	nation	Тор	Bottom		Desc	criptions, Conte	ents, etc.		Name	Top  Meas. Depth
								Cutler		3031'
								Honaker Trai	il	3083'
										[
32. Addit	ional remark	s (include	e plugging prod	cedure):						
, audi										
33. Indica	ite which ite	ms have b	een attached b	y placing	a check in the	appropriate box	xes:			
Elec	ctrical/Mecha	nical Logs	s (1 full set req'e	d.)		Geologic Report	t 🗆 DST		☐ Directional Survey	
			and cement ve			Core Analysis	Othe			
N	ame (please		egoing and atta usan Guidry	ched info	rmation is con	plete and corre		ons Tech	ecords (see attached instructions)*	
Si	ignature	/ J	TO TO		<u>udu</u>	1	Date 12	12/0+		
false, fictit	tious or frau					it a crime for an atter within its j		ly and willfully to	make to any department or agency	of the United States any
(Continue	d on naga 2)								g. 11L	nage 2)

DIV OF OIL GAS & MINING

DEC 1 0 2007

### Downhole Schematic for Big Indian Fed 14-42-30-25

ENCANA. EnCana Oil & Gas (USA) Inc.

Project : Paradox API #:4303731860 Area: Big Indian County: SAN JUAN As Of: 10/23/2007 GL: 6682.5 ft 500 ft 1000 ft **Cement Details** 1500 ft TOC @000 ft Set @ 2277 2500 ft Stage 5 Stage 3 : No Frac 10/15/2007

Stage 4

Stage 3

Surface Location: SESW Sec 14 T30S - R25E 6th PI

BHL: SESW-14-30S-25 E 6th PM

KB to GL:

10.0 ft KB: 6692.5 ft

Casing Details Section Surface	s Hole <b>12.250</b>	Casing 10" 9.625" 10" 9.625"	Mass 0 36 0 36	Set At 2,277 2,276 2,234 2,233	Length 1 42 1 2,236	Thread ST&C ST&C ST&C ST&C	Grade J-55 J-55	Description Guide shoe Casing Float collar Casing
Production	8.750	5.5 5.5 5.5 5.5 5.5 5.5	17 17 17 17 17 17	3,352 3,351 3,323 3,322 2,253 2,220	1 28 1 1,068 33 2,223	LT&C LT&C LT&C LT&C LT&C LT&C	P-110 I-80 P-110 I-80 I-80 I-80	Float shoe Casing Float Collar Casing Casing Casing

Section	Sequence	Top	Density	Blend / Additives
Surface	Lead	Q	12.5	Class G / 2.0% D079, 0.25#/sk D029, 0.2% D046
	Tail	0	15.8	Class G / 0.25#/sk D029
Production	Lead	1,850	13.0	50:50 poz / 5%D20,4lb/skD24,.275%D167,
				.1%D65,.15%D800,.1%D46, 0.25lb/sk D29
Tubing and I	Downhole Equir	nment		

O.D.	Length	Depth	Description
0.000	10.00	10.00	KB
2.375	3,000.15	3.010.15	93 its 2-3/8 tbg
0.000	1.00	3,011.15	1- 1.87 F/N
2.375	31.20	3,042.35	1- jt 2-3/8 tbg
0.000	1.00	3,043.35	1- 1.81 F/N
2.375	6.00	3,049.35	1- 6' x 2-3/8 pup jt
0.000	0.65	3,050.00	1- REG

Perforations Stage 1				Stage	4			
Date 10/15/2007 Stage 2	From 3,083	To 3,108	Shots 100	Otage	Date 10/16/2007	From 2,846 2,816	To 2,860 2,840	Shots 28 48
Date 10/15/2007	From 3,000 2,980	To 3,030 2,996	Shots 120 64	Stage	5 Date 10/16/2007	From	To 2,630 2,622	Shots 12 22
Stage 3 Date 10/16/2007	From 2,921 2,900	To 2,940 2,912	Shots 38 24			2,624 2,611 2,601 2,582	2,622 2,608 2,597	14 30

	0/15/2007	3,000 2,980	3,030 2,996	120 64	Date 10/16/2007	From 2,624 2,611	To 2,630 2,622	Shots 12 22
	Date   0/16/2007	From 2,921 2,900	To 2,940 2,912	Shots 38 24		2,601 2,582	2,608 2,597	14 30
Frac Su Stage 1 Stage 2	mmary : No Frac : No Frac							

Stage 4 : I Stage 5 : I			
Bridge Plu Depth 3,040.0 2,870.0 2,550.0	ng Details Date Set 10/15/2007 10/16/2007 10/17/2007	Plug Type CBP CBP CBP	Sacks Cement 0 0 0

CBP at 3,040.0 drilled out 10/20/2007 CBP at 2,870.0 drilled out 10/18/2007 CBP at 2,550.0 drilled out 10/18/2007 CBP at 2,950.0 drilled out 10/19/2007

RECEIVED DEC 1 0 2007

### Downhole Schematic for Big Indian Fed 14-42-30-25



Project :Paradox API #:4303731860 Surface Location: SESW Sec 14 T30S - R25E 6th P! BHL: SESW-14-30S-25 E 6th PM Area: Big Indian County: SAN JUAN As Of: 10/23/2007 GL: 6682.5 ft KB to GL: 10.0 ft KB: 6692.5 ft Casing Details Section Hole Surface 12.250 Mass 0 36 0 36 Set At 2,277 2,276 2,234 2,233 Thread Grade ST&C ST&C J-55 ST&C ST&C J-55 Description Guide shoe Casing Float collar Casing Casing 10" 9.625" 10" Length 42 1 2,236 9.625" 500 ft P-110 I-80 P-110 I-80 I-80 I-80 3,352 3,351 3,323 3,322 2,253 2,220 1 28 1 1,068 33 2,223 LT&C LT&C LT&C LT&C LT&C LT&C LT&C Float shoe Casing Float Collar Casing Casing Casing Production 8.750 5.5 5.5 5.5 5.5 5.5 5.5 1000 ft Cement Details
Section Sequence
Surface Lead
Tail
Production Lead Blend / Additives Class G / 2.0% D079, 0.25#/sk D029, 0.2% D046 Class G / 0.25#/sk D029 50:50 poz / 5%D20,4lb/skD24,.275%D167, .1%D65,.15%D800,.1%D46, 0.25lb/sk D29 Top 0 0 1,8**5**0 Density 12.5 15.8 13.0 1500 ft Tubing and Downhole Equipment

O.D. Length Depth Description

0.000 10.00 10.00 KB

2.375 3,000.15 3,010.15 93 jts 2-3/8 tbg

0.000 1.00 3,011.15 1-1.87 F/N

2.375 31.20 3,042.35 1-jt 2-3/8 tbg

0.000 1.00 3,043.35 1-1.81 F/N

2.375 6.00 3,049.35 1-6' x 2-3/8 pup jt

0.000 0.65 3,050.00 1-REG TOC @<sub>000</sub> ft @ 2500 ft Perforations Stage 1 Stage Shots 100 Date 10/16/2007 Shots 28 48 Date 10/15/2007 From 3,083 To 3,108 Stage 5 Date 10/16/2007 Date 10/15/2007 To 3,030 2,996 Stage Shots 12 22 14 30 Stage 3 Date 10/16/2007 Stage 5 Shots 38 24 Frac Summary Stage 1 : No Frac Stage 2 : No Frac Stage 3 : No Frac Stage 4 : No Frac Stage 5 : No Frac Bridge Plug Details Depth Date Set 3,040.0 10/15/2007 2,870.0 10/16/2007 2,550.0 10/17/2007 2,950.0 10/15/2007 Plug Type CBP CBP CBP CBP Sacks Cement 0 0 0 0 CBP at 3,040.0 drilled out 10/20/2007 CBP at 2,870.0 drilled out 10/18/2007 CBP at 2,550.0 drilled out 10/18/2007 CBP at 2,950.0 drilled out 10/19/2007 Stage 4 Stage 3 Stage 2 3000 ft Stage 1

TD @ 3365

Set @ 3352

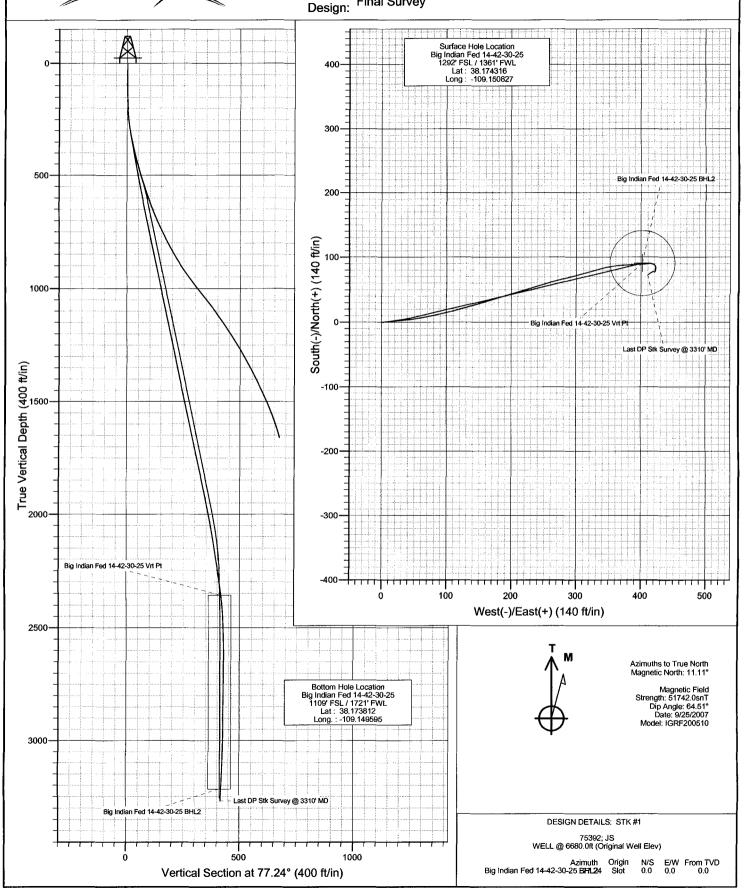


Project: Paradox (Nad 27) Site: Sec14-T30S-R25E

Well: Big Indian Fed 14-42-30-25

Wellbore: STK #1
Design: Final Survey





#### **Cathedral Energy Services**

Survey Report

Company:

EnCana Oil & Gas (USA) Inc

Project: Site:

Paradox (Nad 27) Sec14-T30S-R25E

Well:

Big Indian Fed 14-42-30-25

Wellbore: Design:

STK #1 STK#1

Local Co-ordinate Reference:

TVD Reference: MD Reference:

Database:

WELL @ 6680.0ft (Original Well Elev) WELL @ 6680.0ft (Original Well Elev)

North Reference:

**Survey Calculation Method:** 

Minimum Curvature

EDM 2003.16 US Multi User Db

Well Big Indian Fed 14-42-30-25

Project

Paradox (Nad 27)

Map System: Geo Datum:

US State Plane 1927 (Exact solution)

NAD 1927 (NADCON CONUS)

Map Zone:

Utah South 4303

System Datum:

Mean Sea Level

Site

From:

Well

Sec14-T30S-R25E

Site Position:

Lat/Long

Northing:

558,896.82ft

Latitude:

38.178374 -109.154015

**Position Uncertainty:** 

Easting: Slot Radius: 2,674,316.18ft

Longitude: **Grid Convergence:** 

1.44°

Big Indian Fed 14-42-30-25

+N/-S +E/-W

0.0 ft

Northing:

557,442.55 ft

Latitude:

38.174316

**Position Uncertainty** 

0.0 ft 0.0 ft

0.0 ft

Easting: Wellhead Elevation: 2,675,269.45 ft

Longitude: **Ground Level:**  -109.150827 6,660.0 ft

Wellbore

Well Position

STK#1

**Magnetics** 

**Model Name** 

Sample Date

Declination (°)

Dip Angle (°)

Field Strength

(nT)

IGRF200510

9/25/2007

11.11

64.51

51,742

Design

STK #1

Audit Notes:

Version:

1.0

Phase:

**ACTUAL** 

Tie On Depth:

304.0

**Vertical Section:** 

Depth From (TVD)

+N/-S

+E/-W

Direction

(ft) 0.0 (ft) 0.0 (ft) 0.0

(°) 77.24

**Survey Program** From

(ft)

To

Survey (Wellbore)

11/5/2007

**Tool Name** 

Description

109.0 383.0

304.0 Survey #1 (DD) 3,310.0 Survey #1 (STK #1) MWD MWD

Geolink MWD Geolink MWD

Measured			Vertical			Vertical	Dogleg	Build	Formations /	
Depth (ft)	Inclination (°)	Azimuth (°)	Depth (ft)	+N/-S (ft)	+E/-W (ft)	Section (ft)	Rate (°/100ft)	Rate (°/100ft)	Comments	
304.0	9.90	84.10	303.3	1.4	13.6	13.6	0.00	0.00		
383.0	9.80	85.90	381.1	2.5	27.1	27.0	0.41	-0.13		
475.0	10.00	83.60	471.7	4.0	42.8	42.7	0.48	0.22		
560.0	11.20	79.50	555.3	6.3	58.3	58.2	1.67	1.41		
652.0	11.60	79.00	645.5	9.7	76.1	76.4	0.45	0.43		
743.0	11.80	78.10	734.6	13.4	94.2	94.9	0.30	0.22		
841.0	11.90	74.10	830.5	18.2	113.8	115.0	0.84	0.10		
933.0	11.70	73.60	920.5	23.4	131.8	133.8	0.24	-0.22		
1,025.0	11.70	73.20	1,010.6	28.8	149.7	152.4	0.09	0.00		
1,117.0	11.90	73.20	1,100.7	34.2	167.7	171.1	0.22	0.22		
1,209.0	11.80	73.80	1,190.7	39.6	185.8	190.0	0.17	-0.11		
1 303 0	11.40	73 30	1 282 8	44.0	204.0	208.8	0.44	-0.43		

### **Cathedral Energy Services**

Survey Report

Company:

EnCana Oil & Gas (USA) Inc

Project:

Paradox (Nad 27)

Site: Well: Sec14-T30S-R25E Big Indian Fed 14-42-30-25

Wellbore: Design:

STK #1 STK#1 Local Co-ordinate Reference:

TVD Reference:

MD Reference:

North Reference: **Survey Calculation Method:** 

Database:

Well Big Indian Fed 14-42-30-25

WELL @ 6680.0ft (Original Well Elev) WELL @ 6680.0ft (Original Well Elev)

True

Minimum Curvature

EDM 2003.16 US Multi User Db

Measured			Vertical			Vertical	Dogleg	Build	Formations /	
Depth (ft)	Inclination (°)	Azimuth (°)	Depth (ft)	+N/-S (ft)	+E/-W (ft)	Section (ft)	Rate (°/100ft)	Rate (°/100ft)	Comments	
1,396.0	12.10	73.90	1,373.9	50.3	222.1	227.7	0.76	0.75		
1,492.0	12.20	72.70	1,467.7	56.1	241.5	247.9	0.28	0.10		
1,588.0	12.10	74.70	1,561.6	61.8	260.9	268.1	0.45	-0.10		
1,683.0	12.10	75.90	1,654.4	66.8	280.1	288.0	0.26	0.00		
1,778.0	12.20	75.20	1,747.3	71.8	299.5	308.0	0.19	0.11		
1,873.0	12.50	73.60	1,840.1	77.3	319.1	328.2	0.48	0.32		
1,968.0	11.80	75.60	1,933.0	82.6	338.3	348.2	0.86	-0.74		
2,064.0	9.80	82.30	2,027.3	86.1	355.9	366.2	2.46	-2.08		
2,159.0	9.10	86.00	2,121.0	87.7	371.4	381.6	0.98	-0.74		
2,226.0	9.40	87.50	2,187.1	88.3	382.2	392.3	0.57	0.45		
2,312.0	9.40	87.00	2,272.0	89.0	396.2	406.1	0.09	0.00		
2,408.0	6.10	84.20	2,367.1	89.9	409.1	418.9	3.46	-3.44		
2,503.0	2.40	103.70	2,461.8	90.0	416.1	425.7	4.13	-3.89		
2,599.0	2.10	119.20	2,557.7	88.6	419.6	428.8	0.70	-0.31		
2,694.0	2.20	160.70	2,652.7	86,1	421.7	430.3	1.61	0.11		
2,789.0	3.50	188.20	2,747.6	81.5	421.9	429.5	1.95	1.37		
2,884.0	1.30	212.60	2,842.5	77.7	420.9	427.7	2.50	-2.32		
2,979.0	0.70	327.90	2,937.5	77.3	420.0	426.7	1.81	-0.63		
3,074.0	0.90	287.50	3,032.5	78.0	419.0	425.9	0.61	0.21		
3,170.0	2.10	241.00	3,128.4	77.4	416.7	423.5	1.69	1.25		

Targets									
Target Name									
<ul> <li>hit/miss target</li> </ul>	Dip Angle	Dip Dir.	TVD	+N/-S	+E/-W	Northing	Easting		
- Shape	(°)	(°)	(ft)	(ft)	(ft)	(ft)	(ft)	Latitude	Longitude
Big Indian Fed 14-42-30 - survey misses by 1 - Circle (radius 50.0)	9.6ft at 3258.	0.00 7ft MD (3217.	3,217.0 .0 TVD, 74.9	91.0 N, 413.1 E)	402.0	557,543.66	2,675,668.99	38.174566	-109.149429
Big Indian Fed 14-42-30 - survey misses by 6 - Point	0.00 .1ft at 2397.0	0.00 ft MD (2356.2	2,357.0 ! TVD, 89.8 I	90.9 N, 407.9 E)	402.0	557,543.52	2,675,668.99	38.174566	-109.149429

Survey Annotations				
Measure	d Vertical	Local Coor	dinates	
Depth (ft)	Depth (ft)	+N/-S (ft)	+E/-W (ft)	Comment
3,310	0.0 3,268.2	72.7	410.3	Last DP Stk Survey @ 3310' MD

Checked By: Date:	Approved By: Date:
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AMENDO WELLBORE DIAGRAM Surface Loc: Cutler Honaker Trail 3083 KB 6692.5 GL 6692.5 Original Borehole Sidetrack Top Plug 350'-650' Bottom Plug 1000'-1400' Top of Cutler Formation 3031' EOT @ 3050' Top of Honaker Trail Formation 3083'

 Operator:
 EnCana Oil & Gas (USA) Inc.

 Well Name:
 Big Indian Fed 14-42-30-25

 Lease Number:
 UTU 089097

 Location:
 SESW Sec 14 T30S R25E

 Field:
 Big Indian South

 County:
 San Juan

 API Number:
 43-037-31860-00

 Diagram Date:
 04/16/2008

#### Well History

 Spud Date
 09/20/2007

 TD Reached
 10/05/2007

 Rig Released
 10/07/2007

 Completion Date
 11/09/2007

 First Sales:
 10/27/2007

55 jts 9.625" 36# J-55 ST&C csg @ 2277'; cmt w/ 590 sx Type III lead; 200 sx Type III tail

2582'-2630'
Cutler Perfs shot 10/16/07 (78 holes)
3-3/8", 4 SPF, 90° phasing

**2816'-2860' Cutler Perfs** shot 10/16/07 (76 holes) 3-3/8", 4 SPF, 90° phasing

2900'-2940'
Cutler Perfs shot 10/15/07 (184 holes)
3-3/8", 4 SPF, 90° phasing

2980'-3108' Honaker Trail Perfs shot 10/15/07 (100 holes 3-3/8", 4 SPF, 90° phasing

79 jts 5.5" 17# I-80&P-110 LT&C csg @ 3352' Cmt w/ 340 sx G 50/50 Poz

3365'

### Division of Oil, Gas and Mining

## **OPERATOR CHANGE WORKSHEET (for state use only)**

	ROUTING	
I	CDW	

X - Change of Operator (Well Sold)		Operator Name Change/Merger								
The operator of the well(s) listed below has changed	, effec	tive:		5/14/2010						
FROM: (Old Operator):			,	TO: (New O	perator):					
N2175-EnCana Oil & Gas (USA) Inc.				N3670-Patara	,	LLC				
370 17th Street, Suite 1700				333 Clay Street, Suite 3960						
Denver, CO 80202				Houston, TX 77002						
Phone: 1 (303) 623-2300				Phone: 1 (713) 357-7171						
CA No.				Unit:		BIG IND	IAN			
WELL NAME	SEC	TWN	RNG	API NO	ENTITY	LEASE TYPE	WELL	WELL		
SEE ATTACHED	—т		Ι		NO		TYPE	STATUS		
SEE ATTACHED			L							
<b>OPERATOR CHANGES DOCUMENTAT</b>	'ION									
Enter date after each listed item is completed										
1. (R649-8-10) Sundry or legal documentation was re	ceive	d from	the <b>F</b> C	RMER operate	or on:	5/11/2010				
2. (R649-8-10) Sundry or legal documentation was re	ceive	d from	the NI	W operator on:	•	5/11/2010	•			
3. The new company was checked on the <b>Departmen</b>				_			•	5/11/2010		
4a. Is the new operator registered in the State of Utah				Business Numbe		7655540-0161				
5a. (R649-9-2)Waste Management Plan has been receive	*	* requested		•						
5b. Inspections of LA PA state/fee well sites complete	*	* requested								
5c. Reports current for Production/Disposition & Sund		n:		ok	-	23,27,10				
6. Federal and Indian Lease Wells: The BLM a			ĬΔ has :		- erger name	change				
or operator change for all wells listed on Federal or				ipproved the like	BLM	_	BIA			
7. Federal and Indian Units:	i illaic	ui icas	cs on.		DLW	not yet	DIA	-		
The BLM or BIA has approved the successor of	unit o	nerato	r for we	ells listed on:		not yet				
8. Federal and Indian Communization Agree				110104 011.		Hot yet	•			
The BLM or BIA has approved the operator for a				n a CA on:		n/a				
9. Underground Injection Control ("UIC") I					n 5 Transfe		to			
Inject, for the enhanced/secondary recovery unit/p						<i></i>		9/2010		
	5							B-816 only		
DATA ENTRY:								•		
1. Changes entered in the Oil and Gas Database on:				9/14/2010	_					
2. Changes have been entered on the Monthly Opera	tor C	hang	e Sprea	d Sheet on:	<del>-</del> /	9/14/2010				
3. Bond information entered in RBDMS on:				9/14/2010	_					
4. Fee/State wells attached to bond in RBDMS on:				9/14/2010	-					
5. Injection Projects to new operator in RBDMS on:				9/14/2010	-					
6. Receipt of Acceptance of Drilling Procedures for A	APD/N	lew or	ı:		5/11/2010					
BOND VERIFICATION:										
1. Federal well(s) covered by Bond Number:				UTB000428	-					
2. Indian well(s) covered by Bond Number:				n/a	_					
3a. (R649-3-1) The <b>NEW</b> operator of any state/fee w	ell(s)	listed	covered	by Bond Numb	per	RLB0013207				
3b. The <b>FORMER</b> operator has requested a release of	liahil	ity fro	m their	bond on:	not yet	& B006008	•			
LEASE INTEREST OWNER NOTIFICAT		-				•				
4. (R649-2-10) The <b>NEW</b> operator of the fee wells has			cted and	informed by a	letter from	the Division				
of their responsibility to notify all interest owners of					n/a	21,101011				
COMMENTS:										

### STATE OF UTAH

DEPARTMENT OF NATURAL RESOURCES

Dl	VISION OF OIL, GAS AND MI	VING		5. LEASE DESIGNATION AND SERAL NUMBER:
SUNDRY N	NOTICES AND REPORTS	ON WEL	LS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
	wells, significantly deepen existing wells below curr als. Use APPLICATION FOR PERMIT TO DRILL fo			7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL 🗸	GAS WELL 🗸 OTHER _			8. WELL NAME and NUMBER:
2. NAME OF OPERATOR: ENCANA OIL & GAS (USA)	INC. N3175			9. API NUMBER:
3. ADDRESS OF OPERATOR: 370 17th Street, Suite 1700 CITY	Denver STATE CO ZIP	80202	PHONE NUMBER: (303) 623-2300	10. FIELD AND POOL, OR WILDCAT:
4. LOCATION OF WELL FOOTAGES AT SURFACE: See Atta				COUNTY:
QTR/QTR, SECTION, TOWNSHIP, RANGE,				STATE: UTAH
	PRIATE BOXES TO INDICAT			RT, OR OTHER DATA
	ACIDIZE  ALTER CASING  CASING REPAIR  CHANGE TO PREVIOUS PLANS  CHANGE TUBING  CHANGE WELL NAME  CHANGE WELL STATUS  COMMINGLE PRODUCING FORMATIONS  CONVERT WELL TYPE  PLETED OPERATIONS. Clearly show all p	DEEPEN FRACTURE NEW CONS OPERATOR PLUG AND PLUG BACH PRODUCTIO RECLAMAT RECOMPLE ertinent details ince	TRUCTION CHANGE ABANDON ( ON (START/RESUME) ION OF WELL SITE TE - DIFFERENT FORMATION cluding dates, depths, volume	REPERFORATE CURRENT FORMATION  SIDETRACK TO REPAIR WELL  TEMPORARILY ABANDON  TUBING REPAIR  VENT OR FLARE  WATER DISPOSAL  WATER SHUT-OFF  OTHER:  es, etc.  O2, will take over completions and
operations and is designated  Bond coverage for all activiti  No. Pending.	ies will be covered by Patara's  13 207 + 13 00 6 00  M. Kincannon, Vice-President,	ect wells on BLM Statewi  Land & Bus	the attached list. de Oil & Gas Bond I	No. UTB000428 and UDOGM Bond
NAME (PLEASE PRINT) Ricardo D. C SIGNATURE	Sallegos	TITL DAT	5/4/2010	
(This space for State use only)	a sulsano			DECEIVED

(See Instructions on Reverse Side)

Division of Oil, Gas and Mining Earlene Russell, Engineering Technician

(5/2000)

HECEIVED May 11 2010 ER

DIV. OF OIL, GAS & MINING

### ENCANA O-G (N2175) to PATARA O-G (N3670) effective May 4, 2010 BIG INDIAN

well_name	sec	twp	rng	api	entity	lease	well	stat	C
BIG INDIAN UNIT 1	33	290S	240E	4303716219	8122	Federal	OW	S	
BIG INDIAN 4	14	300S	250E	4303716221	8124	Federal	GW	S	
					8124				
BIG INDIAN FED 14-21-30-25	14	300S	250E	4303731850	16377	Federal	GW	P	
BIG INDIAN FED 15-24-30-25	14	300S	250E	4303731859	8124	Federal	GW	S	
BIG INDIAN FED 14-42-30-25	14	300S	250E	4303731860	8124	Federal	GW	P	
BIG INDIAN FED 15-24B-30-25	14	300S	250E	4303731883	8124	Federal	GW	S	
BIG INDIAN FED 23-13B-30-25	23	300S	250E	4303731884		Federal	GW	APD	C
BIG INDIAN FED 23-13-30-25	23	300S	250E	4303731885		Federal	GW	APD	C

Sundry Number: 32341 API Well Number: 43037318600000

	STATE OF UTAH			FORM 9
ι	DEPARTMENT OF NATURAL RESOUF DIVISION OF OIL, GAS, AND M			5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-89097
SUNDR	RY NOTICES AND REPORTS	S ON	WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
	posals to drill new wells, significantl reenter plugged wells, or to drill horiz n for such proposals.			7.UNIT or CA AGREEMENT NAME: BIG INDIAN
1. TYPE OF WELL Gas Well				8. WELL NAME and NUMBER: BIG INDIAN FED 14-42-30-25
2. NAME OF OPERATOR: PATARA OIL & GAS, LLC				<b>9. API NUMBER:</b> 43037318600000
3. ADDRESS OF OPERATOR: 600 17th Street Ste 1900S	, Denver, CO, 80202		NE NUMBER: 63-5364 Ext	9. FIELD and POOL or WILDCAT: BIG INDIAN (HERMOSA)
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1292 FSL 1361 FWL				COUNTY: SAN JUAN
QTR/QTR, SECTION, TOWNSH	HIP, RANGE, MERIDIAN: 4 Township: 30.0S Range: 25.0E Mer	ridian: S	S	STATE: UTAH
11. CHEC	K APPROPRIATE BOXES TO INDICA	ATE NA	ATURE OF NOTICE, REPOR	T, OR OTHER DATA
TYPE OF SUBMISSION			TYPE OF ACTION	
	ACIDIZE		LTER CASING	CASING REPAIR
NOTICE OF INTENT Approximate date work will start:	CHANGE TO PREVIOUS PLANS	□ c	HANGE TUBING	CHANGE WELL NAME
Approximate date work will start:	CHANGE WELL STATUS	□ c	OMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE
SUBSEQUENT REPORT Date of Work Completion:	DEEPEN	☐ FI	RACTURE TREAT	☐ NEW CONSTRUCTION
9/6/2012	OPERATOR CHANGE	Р	LUG AND ABANDON	PLUG BACK
	PRODUCTION START OR RESUME		ECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION
SPUD REPORT Date of Spud:				
	REPERFORATE CURRENT FORMATION		IDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
DRILLING REPORT	▼ TUBING REPAIR		ENT OR FLARE	☐ WATER DISPOSAL ☐
Report Date:	WATER SHUTOFF	∟ s	I TA STATUS EXTENSION	APD EXTENSION
	WILDCAT WELL DETERMINATION	□ o	THER	OTHER:
Patara has complet in order to clean off Production had fa	completed operations. Clearly show ted operations to pull the s scale and salt build up on llen off due to fill in the ho ction enhancement, the we mcfd. Thank you.	the dole, fr	ersible pump & rods lownhole equipment. om ±176 mcfd to 0	Accepted by the
NAME (PLEASE PRINT) Christopher Noonan	<b>PHONE NUM</b> 303 563-5377	/IBER	<b>TITLE</b> Supervisor: Regulations & F	Production
SIGNATURE N/A			DATE 11/21/2012	

### Division of Oil, Gas and Mining

## OPERATOR CHANGE WORKSHEET (for state use only)

ROUTING	3
CDW	

X - Change of Operator (Well Sold)		Opera	tor Na	me Chan	ge/Merger			
The operator of the well(s) listed below has change	11/1/2012							
FROM: (Old Operator): N3670- Patara Oil & Gas, LLC 600 17th Street, Suite 1900S Denver, CO 80202		TO: (New Operator): N3645- CCI Paradox Upstream, LLC 600 17th Street, Suite 1900S Denver, CO 80202						
Phone: 1 (303) 825-0685	hone: 1 (303) 825-0685							
CA No.			Unit:	-	Big Indian	\		
	SEC TV	N RNG	API NO	)	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
See Attached List								
OPERATOR CHANGES DOCUMENTAEnter date after each listed item is completed  1. (R649-8-10) Sundry or legal documentation was 2. (R649-8-10) Sundry or legal documentation was 3. The new company was checked on the Departmentation of User Is the new operator registered in the State of User Is the new operator registered in the Island Isl	s received s received nent of C	l from the	NEW op	perator n of Co	on: <b>rporation</b> s		<del>-</del> -	2/12/2013
5a. (R649-9-2)Waste Management Plan has been red			_business Not		er:	8523441-0161	_	
<ul> <li>5b. Inspections of LA PA state/fee well sites complete.</li> <li>5c. Reports current for Production/Disposition &amp; State/fee</li> <li>6. Federal and Indian Lease Wells: The BL.</li> </ul>	ete on: undries o	ı:	$\frac{N}{2/12/2}$	A 2013	merger, na	me change.		
or operator change for all wells listed on Federa					BLM	Not Yet	BIA	N/A
7. Federal and Indian Units:				•		•		-
The BLM or BIA has approved the successor  8. Federal and Indian Communization Agr The BLM or BIA has approved the operator f  9. Underground Injection Control ("UIC"	reement for all wel ) Division	s ("CA" ls listed v on has ap	'): vithin a C. pproved \	A on: UIC Fo			- rity to	
Inject, for the enhanced/secondary recovery un	it/project	for the w	ater dispo	sal wel	l(s) listed o	n:	<u>N/A</u>	_
<ol> <li>Changes entered in the Oil and Gas Database of Changes have been entered on the Monthly Op</li> <li>Bond information entered in RBDMS on:</li> <li>Fee/State wells attached to bond in RBDMS on</li> <li>Injection Projects to new operator in RBDMS of</li> <li>Receipt of Acceptance of Drilling Procedures for</li> </ol>	erator C : n:	-	2/12/2 pread She 2/7/2 2/12/2 N/A	eet on: 013 2013	2/4/2013	2/12/2013	-	
BOND VERIFICATION:								
<ol> <li>Federal well(s) covered by Bond Number:</li> <li>Indian well(s) covered by Bond Number:</li> <li>(R649-3-1) The NEW operator of any state/fed</li> <li>The FORMER operator has requested a release</li> </ol>			-	A Bond Nu	ımber N/A	105865922	-	
I DAGE DIEDDEGE OVERSEN NO.						ı		
LEASE INTEREST OWNER NOTIFIC 4. (R649-2-10) The NEW operator of the fee wells			and info	rmed b	v a letter fr	om the Division		
of their responsibility to notify all interest owner				anacu U	y a letter me N/A	m me Division	ı	
COMMENTS:								

### Patara Oil Gas, LLC (N3670) to CCI Paradox Upstream, LLC (N3945 Effective 11/1/2012 Big Indian Unit

				-		Lease	Well	Well
Well Name	Section	TWN	RNG	API Number	Entity	Туре	Type	Status
BIG INDIAN FED 23-13B-30-25	23	300S	250E	4303731884		Federal	GW	APD
BIG INDIAN FED 23-13-30-25	23	300S	250E	4303731885		Federal	GW	APD
BIG INDIAN FED 14-42-30-25	14	300S	250E	4303731860	8124	Federal	GW	P
BIG INDIAN UNIT 1	33	290S	240E	4303716219	8122	Federal	OW	S
BIG INDIAN 4	14	300S	250E	4303716221	8124	Federal	GW	S
BIG INDIAN FED 14-21-30-25	14	300S	250E	4303731850	8124/16377	Federal	GW	S
BIG INDIAN FED 15-24-30-25	14	300S	250E	4303731859	8124	Federal	GW	S
BIG INDIAN FED 15-24B-30-25	14	300S	250E	4303731883	8124	Federal	GW	S

### RECEIVED

JAN 23 2013

STATE OF UTAH FORM 9 DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING DIV. OF OIL, GAS & MINING 5. LEASE DESIGNATION AND SERIAL NUMBER: 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: SUNDRY NOTICES AND REPORTS ON WELLS 7. UNIT or CA AGREEMENT NAME: Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. n/a 1. TYPE OF WELL 8. WELL NAME and NUMBER; **OTHER Multiple Well Transfer** OIL WELL GAS WELL Multiple 2. NAME OF OPERATOR 9. API NUMBER: Patara Oil & Gas LLC n/a 3. ADDRESS OF OPERATOR: 10. FIELD AND POOL, OR WILDCAT: 600 17th St. Ste. 1900S STATE CO 7IP 80202 Denver (303) 825-0685 4. LOCATION OF WELL FOOTAGES AT SURFACE: n/a COUNTY: San Juan, UT QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: STATE **UTAH** CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 11. TYPE OF SUBMISSION TYPE OF ACTION **ACIDIZE** DEEPEN REPERFORATE CURRENT FORMATION NOTICE OF INTENT (Submit in Duplicate) ALTER CASING FRACTURE TREAT SIDETRACK TO REPAIR WELL Approximate date work will start: CASING REPAIR **NEW CONSTRUCTION** TEMPORARILY ABANDON CHANGE TO PREVIOUS PLANS **OPERATOR CHANGE TUBING REPAIR CHANGE TUBING** PLUG AND ABANDON VENT OR FLARE  $\mathbf{Z}$ SUBSEQUENT REPORT CHANGE WELL NAME PLUG BACK WATER DISPOSAL (Submit Original Form Only) CHANGE WELL STATUS PRODUCTION (START/RESUME) WATER SHUT-OFF Date of work completion: COMMINGLE PRODUCING FORMATIONS RECLAMATION OF WELL SITE OTHER: 11/1/2012 CONVERT WELL TYPE **RECOMPLETE - DIFFERENT FORMATION** 12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Patara Oil & Gas LLC (Patara) hereby requests the transfer of operating rights and responsibilities for the subject wells, listed herein, to the new owner/operator of the assets, being effective November 1, 2012; CCI Paradox Upstream LLC (CCI). Please see Exhibit I for a detailed list of upstream assets considered for transfer. Patara midstream assets will be transferred via a separate letter, enclosed. Christopher A. Noonan Regulations & Production Reporting Supervisor NAME (PLEASE PRINT) SIGNATURE DATE

(This space for State use only)

APPROVED

FEB 1 2 2013

E.V. OIL GAS & MINING 34 Rachel Meding

(See Instructions on Reverse Side)

STATE OF UTAH

	DEPARTMENT OF NATURAL RESOURDIVISION OF OIL, GAS AND MI			1 .	SE DESIGNATION AND SERIAL NUMBER:
SUNDRY	Y NOTICES AND REPORTS	S ON WEL	LS		DIAN, ALLOTTEE OR TRIBE NAME:
Do not use this form for proposals to drill r	new wells, significantly deepen existing wells below cur aterals. Use APPLICATION FOR PERMIT TO DRILL f	rent bottom-hole dep	th, reenter plugged wells, or to		of CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL		form for such proposa Multiple Well			L NAME and NUMBER:
2. NAME OF OPERATOR:				Mult 9. API	IPIE NUMBER:
CCI Paradox Upstream LI	LC N3945			n/a	
3. ADDRESS OF OPERATOR: 600 17th St. Ste. 1900S	Denver STATE CO ZIP	80202	PHONE NUMBER: (303) 825-0685	10. FIE n/a	LD AND POOL, OR WILDCAT:
4. LOCATION OF WELL FOOTAGES AT SURFACE: n/a				COUNT	y: San Juan, UT
QTR/QTR, SECTION, TOWNSHIP, RAN	NGE, MERIDIAN:			STATE:	
11. CHECK APP	ROPRIATE BOXES TO INDICAT	E NATURE	OF NOTICE, REPO	ORT. O	R OTHER DATA
TYPE OF SUBMISSION			YPE OF ACTION		
NOTICE OF INTENT (Submit in Duplicate)  Approximate date work will start:	ACIDIZE ALTER CASING CASING REPAIR	DEEPEN FRACTURE NEW CONS	TRUCTION		REPERFORATE CURRENT FORMATION SIDETRACK TO REPAIR WELL TEMPORARILY ABANDON
SUBSEQUENT REPORT (Submit Original Form Only)	CHANGE TO PREVIOUS PLANS  CHANGE TUBING  CHANGE WELL NAME  CHANGE WELL STATUS	OPERATOR  PLUG AND  PLUG BACH	ABANDON		TUBING REPAIR  VENT OR FLARE  WATER DISPOSAL  WATER SHUT-OFF
Date of work completion: 11/1/2012	COMMINGLE PRODUCING FORMATIONS CONVERT WELL TYPE	RECLAMAT	ION OF WELL SITE		OTHER:
12. DESCRIBE PROPOSED OR C	OMPLETED OPERATIONS. Clearly show all p			<del></del>	
CCI Paradox Upstream Listed herein, to the new of	LC (CCI), hereby requests the tra owner/operator of the assets, CCI Gas LLC (Patara) prior to sale.	ensfer of oper	ating rights and res	sponsibi	ilities for the subject wells, e assets were previously
Please see Exhibit I for a via a separate letter, encl	detailed list of upstream assets cosed.	considered fo	r transfer. Patara m	nidstrear	m assets will be transferred
Bond Number BLM: 1058659 State: 105869	19				
	•				
NAME (PLEASE PRINT) Christoph	ner A. Noonan	TITI	E Regulations & F	Producti	on Reporting Supervisor
SIGNATURE		DAT	2/6/2012	•	
(This space for State use only)	ROVED		RE	CEIV	'ED

(5/2000)

FEB 1 2 2013 DIV. OIL GAS & MINING

BY: Rachel Medina

(See Instructions on Reverse Side)

FEB 0 7 2013

Div. of Oil. Gas & Mining

### Exhibit I

### BLM Form 3160-5 Transfer of Operator Utah Form 9 Transfer of Operator

### State of Utah Upstream Assets

### 01/09/2013

				Well			ľ		Township-
API Well Number	Operator	Well Name	Well Status	Туре	Field Name	County	Qtr/Qtr	Section	Range)
	PATARA OIL								
43-037-15049-00-00	& GAS LLC	LISBON D-616	Shut-In	Oil Well	LISBON	SAN JUAN	NENE	16	30S-24E 1
,	PATARA OIL								
43-037-15123-00-00	& GAS LLC	LISBON B-615	Producing	Oil Well	LISBON	SAN JUAN	NENW	15	30S-24E ?
	PATARA OIL								_
43-037-15769-00-00	& GAS LLC	LISBON B912	Shut-In	Oil Well	LISBON	SAN JUAN	SESW	12	30S-24E <sup>3</sup>
	PATARA OIL								
43-037-16219-00-00	& GAS LLC	BIG INDIAN UNIT 1	Shut-in	Oil Well	BIG INDIAN (MADISON)	SAN JUAN	SENE	33	29S-24E
	PATARA OIL			Gas					
43-037-16221-00-00	& GAS LLC	BIG INDIAN 4	Shut-In	Well	BIG INDIAN (HERMOSA)	SAN JUAN	SWSW	14	30S-25E <sup>\$</sup>
				Water					
	PATARA OIL			Disposal					6
43-037-16237-00-00	& GAS LLC	LISBON A-715	Inactive	Well	LISBON	SAN JUAN	SWNW	15	30S-24E
	PATARA OIL								
43-037-16240-00-00	& GAS LLC	LISBON B-613	Shut-In	Oil Well	LISBON	SAN JUAN	NENW	13	30S-24E 🔞
<b>)</b>	PATARA OIL								
43-037-16242-00-00	& GAS LLC	LISBON B-616	Shut-In	Oil Well	LISBON	SAN JUAN	NESW	16	30S-24E 🔻
				Water					
	PATARA OIL	BELCO ST 4		Disposal					9
43-037-16244-00-00	& GAS LLC	(LISBON B-816)	Active	Well	LISBON	SAN JUAN	NESW	16	30S-24E
	PATARA OIL								(#
43-037-16245-00-00	& GAS LLC	LISBON C-69	Shut-In	Oil Well	LISBON	SAN JUAN	NWNE	9	30S-24E

Į		PATARA OIL						T		
4	43-037-16247-00-00	& GAS LLC	LISBON C-94	Shut-In	Oil Well	LISBON	SAN JUAN	SWSE	4	30S-24E 1
		PATARA OIL								1
<b>-</b>	43-037-16250-00-00	& GAS LLC	LISBON UNIT D-84	Shut-In	Oil Well	LISBON	SAN JUAN	NESE	. 4	30S-24E 12
		PATARA OIL								
1	43-037-16251-00-00	& GAS LLC	LISBON D-89	Shut-In	Oil Well	LISBON	SAN JUAN	NESE	9	30S-24E B
		PATARA OIL								
L	43-037-16469-00-00	& GAS LLC	LISBON U B-610	Producing	Oil Well	LISBON	SAN JUAN	NENW	10	30S-24E <sup>U</sup>
		PATARA OIL	NW LISBON USA A-		Gas					
_	43-037-16471-00-00	& GAS LLC	2 (D-810)	Producing	Well	LISBON	SAN JUAN	NESE	10	30S-24E ≤
		PATARA OIL								a.
L	43-037-30054-00-00	& GAS LLC	LISBON B-84	Shut-In	Oil Well	LISBON	SAN JUAN	NESW	4	30S-24E
				İ	Water					7
	42 027 20002 00 00	PATARA OIL	LICEON DOM		Disposal					
-	43-037-30082-00-00	& GAS LLC	LISBON B-814	Active	Well	LISBON	SAN JUAN	NESW	14	30S-24E
	42 027 20247 00 00	PATARA OIL	FEDERAL 4F 2F	Chart In	Gas	WILCON CANNON		CLASE	٥٥	200 225 8
-	43-037-30317-00-00	& GAS LLC	FEDERAL 15-25	Shut-In	Well	WILSON CANYON	SAN JUAN	SWSE	25	29S-23E <sup>6</sup>
	43-037-30693-00-00	PATARA OIL & GAS LLC	LISBON C-99	Shut-In	Oil Well	LISBON	CANULIAN	CVACE	9	30S-24E
$\vdash$	45-057-50095-00-00	PATARA OIL	LISBON C-99	Shut-in	Gas	LISBON	SAN JUAN	SWSE	9	305-24E
	43-037-30694-00-00	& GAS LLC	LISBON U D-610	Shut-In	Well	LISBON	SAN JUAN	NENE	10	30S-24E <sup>၁</sup> ္
$\vdash$	43-037-30034-00-00	PATARA OIL	LISBON O D-010	Silutin	AACII	LISBON	SANJOAN	INCINC	10	303-24L
	43-037-30695-00-00	& GAS LLC	LISBON B-94	Shut-In	Oil Well	LISBON	SAN JUAN	SESW	4	30S-24E
-		PATARA OIL			Gas		57111757111	020	,	
	43-037-31014-00-00	& GAS LLC	LISBON UNIT A-911	Producing	Well	LISBON	SAN JUAN	swsw	11	30S-24E
r		PATARA OIL		0						3
	43-037-31034-00-00	& GAS LLC	LISBON UNIT D-716	Shut-In	Oil Well	LISBON	SAN JUAN	SENE	16	30S-24E
		PATARA OIL								<u>\1</u>
	43-037-31323-00-00	& GAS LLC	LISBON C-910	Shut-In	Oil Well	LISBON	SAN JUAN	SWSE	10	30S-24E
	·	PATARA OIL								5
	43-037-31351-00-00	& GAS LLC	LISBON B-614A	Shut-In	Oil Well	LISBON	SAN JUAN	NENW	14	30S-24E
		PATARA OIL								V
	43-037-31433-00-00	& GAS LLC	LISBON B-810	Producing	Oil Well	LISBON	SAN JUAN	NESW	10	30S-24E

	PATARA OIL			Gas				Į.	
43-037-31829-00-00	& GAS LLC	BIG INDIAN 35-24	Shut-In	Well	SOUTH PINE RIDGE	SAN JUAN	SENE	35	29S-24E 7
	PATARA OIL	BULL HORN U 10-		Gas					
43-037-31831-00-00	& GAS LLC	43	Producing	Well	BIG INDIAN (HERMOSA)	SAN JUAN	SWSE	10	30S-25E
	PATARA OIL	MIDDLE MESA ST		Gas					
43-037-31838-00-00	& GAS LLC	36-14-29-24	Producing	Well	SOUTH PINE RIDGE	SAN JUAN	NENE	36	29S-24E <sup>©</sup>
	PATARA OIL	BULL HORN FED 9-		Gas					
43-037-31843-00-00	& GAS LLC	14-30-25	Producing	Well	BIG INDIAN (HERMOSA)	SAN JUAN	NENE	9	30S-25E <sup>₹</sup> ◊
	PATARA OIL	BULL HORN FED		Gas					_
43-037-31848-00-00	& GAS LLC	15-14-30-25	Producing	Well	BIG INDIAN (HERMOSA)	SAN JUAN	NENE	15	30S-25E \
	PATARA OIL	BULL HORN FED		Gas					2
43-037-31849-00-00	& GAS LLC	10-21-30-25	Producing	Well	BIG INDIAN (HERMOSA)	SAN JUAN	NWSW	10	30S-25E
	PATARA OIL	BIG INDIAN FED 14-		Gas					3
43-037-31850-00-00	& GAS LLC	21-30-25	Producing	Well	BIG INDIAN (HERMOSA)	SAN JUAN	SWNW	14	30S-25E
	PATARA OIL	MIDDLE MESA FED		Gas					4
43-037-31853-00-00	& GAS LLC	5-6-30-25	Producing	Well	SOUTH PINE RIDGE	SAN JUAN	LOT6	5	30S-25E
	PATARA OIL	MIDDLE MESA FED		Gas					S
43-037-31854-00-00	& GAS LLC	31-31-29-25	Producing	Well	SOUTH PINE RIDGE	SAN JUAN	NWSW	31	29S-25E
	PATARA OIL	MIDDLE MESA ST		Gas					Ĺ
43-037-31855-00-00	& GAS LLC	36 <b>-</b> 12-29-24	Shut-In	Well	SOUTH PINE RIDGE	SAN JUAN	NENW	36	29S-24E
	PATARA OIL	MIDDLE MESA ST		Gas					7
43-037-31856-00-00	& GAS LLC	36-24-29-24	Producing	Well	SOUTH PINE RIDGE	SAN JUAN	SENE	36	29S-24E
	PATARA OIL	BIG INDIAN FED 15-		Gas					¥
43-037-31859-00-00	& GAS LLC	24-30-25	Shut-In	Well	BIG INDIAN (HERMOSA)	SAN JUAN	SWNW	14	30S-25E
	PATARA OIL	BIG INDIAN FED 14-		Gas					9
43-037-31860-00-00	& GAS LLC	42-30-25	Producing	Well	BIG INDIAN (HERMOSA)	SAN JUAN	SESW	14	30S-25E
	PATARA OIL	BULL HORN FED		Gas					40
43-037-31861-00-00	& GAS LLC	10-42-30-25	Shut-In	Well	BIG INDIAN (HERMOSA)	SAN JUAN	SESW	10	30S-25E
	PATARA OIL	BULL HORN FED		Gas					1
43-037-31864-00-00	& GAS LLC	10-31-30-25	Producing	Well	BIG INDIAN (HERMOSA)	SAN JUAN	NWSW	10	30S-25E \
	PATARA OIL	MIDDLE MESA ST		Gas					2
43-037-31877-00-00	& GAS LLC	36-12B-29-24	Producing	Well	SOUTH PINE RIDGE	SAN JUAN	NENW	36	29S-24E

	PATARA OIL	MIDDLE MESA ST		Gas					
43-037-31878-00-00	& GAS LLC	36-24B-29-24	Producing	Well	SOUTH PINE RIDGE	SAN JUAN	SENE	36	29S-24E →
	PATARA OIL	BIG INDIAN FED 15-		Gas					
43-037-31883-00-00	& GAS LLC	24B-30-25	Shut-In	Well	BIG INDIAN (HERMOSA)	SAN JUAN	SWNW	14	30S-25E <sup>4</sup>
			Approved						
			permit (APD);						5
	PATARA OIL	BIG INDIAN FED 23-	not yet	Gas					
43-037-31884-00-00	& GAS LLC	13B-30-25	spudded	Well	BIG INDIAN (HERMOSA)	SAN JUAN	NWNE	23	30S-25E
			Approved						
			permit (APD);			-			6
	PATARA OIL	BIG INDIAN FED 23-	not yet	Gas					!
43-037-31885-00-00	& GAS LLC	13-30-25	spudded	Well	BIG INDIAN (HERMOSA)	SAN JUAN	NWNE	23	30S-25E
	PATARA OIL	BULL HORN FED		Gas					7
43-037-31891-00-00	& GAS LLC	15-13-30-25	Producing	Well	BIG INDIAN (HERMOSA)	SAN JUAN	NENE	15	30S-25E
			Approved						
			permit (APD);						8
	PATARA OIL	MIDDLE MESA FED	not yet	Gas					
43-037-31893-00-00	& GAS LLC	30-41-29-25	spudded	Well	UNDESIGNATED	SAN JUAN	SWSW	30	29S-25E
			Spudded						
			(Drilling						9
			commenced:						
40.000.04000.00	PATARA OIL	MIDDLE MESA FED	Not yet	Gas	COLUMN BUNG BURGE			_	000.055
43-037-31897-00-00	& GAS LLC	5-10-30-25	completed)	Well	SOUTH PINE RIDGE	SAN JUAN	LT10	5	30S-25E
			Approved						50
	DATA DA OU	NAUDOLE NAEGA EED	permit (APD);	<b>6</b>					JO
42 027 24004 00 00	PATARA OIL	MIDDLE MESA FED	not yet	Gas	LINIDECICALATED	6001111001	CALCE	25	200 245
43-037-31901-00-00	& GAS LLC	25-43-29-24	spudded	Well	UNDESIGNATED	SAN JUAN	SWSE	25	29S-24E
43-037-31902-00-00	PATARA OIL & GAS LLC	MIDDLE MESA FED 25-41-29-24	Producing	Gas Well	SOUTH PINE RIDGE	SAN JUAN	swsw	25	29S-24E
45-03/-31902-00-00	PATARA OIL	MIDDLE MESA FED	rioducing	Gas	30017 PINE KIDGE	SAN JUAN	200200	25	233-24E
43-037-31903-00-00	& GAS LLC	25-31-29-24	Producing	Well	SOUTH PINE RIDGE	SAN JUAN	NWSW	25	29S-24E 7
43-03/-31303-00-00	PATARA OIL	MIDDLE MESA FED	FIDUUCIN	Gas	300111 FINE NIDGE	SANJUAN	INVVSVV	25	
43-037-31904-00-00	& GAS LLC	26-34-29-24	Producing	Well	SOUTH PINE RIDGE	SAN JUAN	NESW	26	9° 29S-24E
45-05/-51304-00-00	& GAS LLC	20-34-23-24	FIOUUCIIIE	wen	300 IN PINE KIDGE	JAN JUAN	INEDAN	20	233-24E

			Approved						V
	DATABAGU	MIDDLE MESA FED	permit (APD);	Gas					i i
42 027 21005 00 00	PATARA OIL	26-23-29-24	not yet	Well	LINDESIGNATED	CANLUIAN	CVANIE	20	205 245
43-037-31905-00-00	& GAS LLC		spudded	Gas	UNDESIGNATED	SAN JUAN	SWNE	26	29S-24E
43-037-31906-00-00	PATARA OIL & GAS LLC	MIDDLE MESA FED 31-44-29-25	Producing	Well	SOUTH PINE RIDGE	CANLILIANI	CECE	21	29S-25E 5
45-057-51900-00-00		MIDDLE MESA FED	Producing	Gas	SOUTH PINE RIDGE	SAN JUAN	SESE	31	293-25E
43-037-31907-00-00	PATARA OIL & GAS LLC	31-33-29-25	Producing	Well	SOUTH PINE RIDGE	CANLILIANI	NIMICE	24	29S-25E '
43-037-31907-00-00	& GAS LLC	31-33-29-25	-	weii	SOUTH PINE RIDGE	SAN JUAN	NWSE	31	295-25E
			Approved						ļ "
	DATABAOU	MIDDLE MESA FED	permit (APD);	Gas					<b>'</b>
42 027 21000 00 00	PATARA OIL & GAS LLC	31-22-29-25	not yet	Well	SOUTH PINE RIDGE	CANLILIANI	CENDA	21	200 255
43-037-31909-00-00	& GAS LLC	31-22-29-25	spudded	ven	SOUTH PINE RIDGE	SAN JUAN	SENW	31	29S-25E
			Approved						8
	PATARA OIL	MIDDLE MESA FED	permit (APD);	Can					
43-037-31910-00-00	& GAS LLC	31-11-29-25	not yet spudded	Gas Well	SOUTH PINE RIDGE	SAN JUAN	NWNW	21	205 255
45-057-51910-00-00	PATARA OIL	21-11-29-23	'	Gas	3001H PINE KIDGE	SANJUAN	INVVINVV	31	29S-25E
43-037-50008-00-00	& GAS LLC	CISCO STATE 36-13	Temporarily- Abandoned	Well	WILDCAT	SAN JUAN	NWNE	36	31S-24E
45-057-50006-00-00	PATARA OIL	MIDDLE MESA FED	Abandoned	Gas	WILDCAT	SANJUAN	INVVIVE	30	313-246
42 027 50010 00 00	& GAS LLC	4-20-30-25	Droducing	Well	SOUTH PINE RIDGE	CANILLAN	CLAVALLAV	4	200 255 60
43-037-50010-00-00	& GAS LLC	4-20-30-23	Producing	weii	SOUTH PINE RIDGE	SAN JUAN	SWNW	4	30S-25E
	DATABAGU		Returned						(
42 027 50012 00 00	PATARA OIL & GAS LLC	Lisbon 11-32MC	APD	Oil Well	LINDECICNIATED	CANLULAN	CLAVALE	44	200 245
43-037-50012-00-00	& GAS LLC	LISDON 11-32IVIC	(Unapproved)	Oii weii	UNDESIGNATED	SAN JUAN	SWNE	11	30S-24E
			Approved						2
	DATABA OU		permit (APD);						
42 027 50012 00 00	PATARA OIL	Lishon 14 11N4C	not yet	OilWall	LISBON	CANLULAN	ANA/ANA/		200 245
43-037-50013-00-00	& GAS LLC	Lisbon 14-11MC	spudded	Oil Well	LISBON	SAN JUAN	NWNW	14	30S-24E
			Approved						3
	DATADA OU		permit (APD);						
42 027 50014 00 00	PATARA OIL	Lisbon 10-44MC	not yet	OilWall	LISBON	CANLILIAN	NIVA/NIVA/	1.1	200 245
43-037-50014-00-00	& GAS LLC	LISDON 10-44IVIC	spudded	Oil Well	LISBON	SAN JUAN	NWNW	14	30S-24E

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			Approved						۱
	DATADA OII		permit (APD);				, ·		1
42 027 50015 00 00	PATARA OIL	Linkan 2 22NAC	not yet	O:LW-II	LISPON	CANLULAN	NECE	,	200 245
43-037-50015-00-00	& GAS LLC	Lisbon 3-32MC	spudded	Oil Well	LISBON	SAN JUAN	NESE	4	30S-24E
			Approved						
	PATARA OIL		permit (APD);						5
43-037-50016-00-00	& GAS LLC	Lisbon 11-33MC	not yet spudded	Oil Well	LISBON	SAN JUAN	NENW	14	30S-24E
43-037-30010-00-00	& GAS LLC	LISDOII II-55IVIC	Approved	Oil Well	LISBON	SANJUAN	NEINV	14	303-24E
			permit (APD);						_
	PATARA OIL		not yet	Gas					4
43-037-50017-00-00	& GAS LLC	Lisbon 11-21MC	spudded	Well	LISBON	SAN JUAN	NWSE	10	30S-24E
13 037 30017 00 00	Q 0/10 220	LISBOTT II ZITVIC	Approved	Wen	LISBOIN	JANJOAN	INVOL	10	303 Z-TL
			permit (APD);						
	PATARA OIL		not yet		·				7
43-037-50018-00-00	& GAS LLC	Lisbon 3-43MC	spudded	Oil Well	LISBON	SAN JUAN	SESE	3	30S-24E
			Spudded						
			(Drilling						8
			commenced:						
	PATARA OIL		Not yet						
43-037-50019-00-00	& GAS LLC	Lisbon 10-33MC	completed)	Oil Well	LISBON	SAN JUAN	NWSE	10	30S-24E
			Approved						
			permit (APD);						9
	PATARA OIL	Middle Mesa Fed	not yet	Gas					
43-037-50021-00-00	& GAS LLC	31-42-29-25	spudded	Well	SOUTH PINE RIDGE	SAN JUAN	SESW	31	29S-25E
:			Approved						
			permit (APD);	_					70
40 007 5000 00 00	PATARA OIL	Middle Mesa	not yet	Gas				_	
43-037-50026-00-00	& GAS LLC	Federal 5-8-30-25	spudded	Well	SOUTH PINE RIDGE	SAN JUAN	NENE	5	30S-25E

Sundry Number: 60249 API Well Number: 43037318600000

		FORM 9			
ι	5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-89097				
SUNDR	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:				
	posals to drill new wells, significant eenter plugged wells, or to drill hori n for such proposals.		7.UNIT or CA AGREEMENT NAME: BIG INDIAN		
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: BIG INDIAN FED 14-42-30-25				
2. NAME OF OPERATOR: CCI PARADOX UPSTREAM, L	9. API NUMBER: 43037318600000				
3. ADDRESS OF OPERATOR: 600 17th Street, Suite 1900	S , Denver, CO, 80202	NE NUMBER: 3 728-2222 Ext	9. FIELD and POOL or WILDCAT: BIG INDIAN (HERMOSA)		
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1292 FSL 1361 FWL			COUNTY SAN JU		
QTR/QTR, SECTION, TOWNSH Qtr/Qtr: SESW Section: 1	STATE: UTAH				
11. CHECH	K APPROPRIATE BOXES TO INDIC	ATE N	ATURE OF NOTICE, REPOR	RT, OR O	THER DATA
TYPE OF SUBMISSION			TYPE OF ACTION		
	ACIDIZE		ALTER CASING		CASING REPAIR
NOTICE OF INTENT	CHANGE TO PREVIOUS PLANS		CHANGE TUBING	П	CHANGE WELL NAME
Approximate date work will start:	CHANGE WELL STATUS		COMMINGLE PRODUCING FORMATIONS		CONVERT WELL TYPE
✓ SUBSEQUENT REPORT					
Date of Work Completion: 1/5/2015	DEEPEN		FRACTURE TREAT		NEW CONSTRUCTION
.,,,,,	OPERATOR CHANGE	□ F	PLUG AND ABANDON		PLUG BACK
SPUD REPORT Date of Spud:	PRODUCTION START OR RESUME	∐ F	RECLAMATION OF WELL SITE		RECOMPLETE DIFFERENT FORMATION
	REPERFORATE CURRENT FORMATION		SIDETRACK TO REPAIR WELL		TEMPORARY ABANDON
	TUBING REPAIR		/ENT OR FLARE		WATER DISPOSAL
DRILLING REPORT Report Date:	WATER SHUTOFF		SI TA STATUS EXTENSION		APD EXTENSION
	WILDCAT WELL DETERMINATION	✓ 0	OTHER	ОТНЕ	R: Site Facility Diagram
12. DESCRIBE PROPOSED OR	COMPLETED OPERATIONS. Clearly sho	w all ne	rtinent details including dates, d		
	he updated Site Facilty Dia			oi FOF	Accepted by the Utah Division of I, Gas and Mining RECORD ONLY February 02, 2015
			I <b></b>		
NAME (PLEASE PRINT) Ashley Noonan	<b>PHONE NUM</b> 303 728-2232	/IBER	TITLE Regulatory Analyst		
SIGNATURE N/A			<b>DATE</b> 1/30/2015		

RECEIVED: Jan. 30, 2015

